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# Daily Report

# East Europe

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# Daily Report
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*FBIS-EEU-88-002* *5 January 1988*

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## Zhivkov Greets Nation on New Year

*AU041754 Sofia OTECHESTVEN FRONT in Bulgarian1 Jan 88 p 1*

["New Year's Greetings Message to the Bulgarian People" read by Todor Zhivkov, general secretary of the BCP Central Committee and chairman of the State Council, on Bulgarian radio and television on 31 December 1987]

[Text] Dear compatriots, esteemed comrades: We are on the eve of 1988.

Since ancient times this has been an hour of hope for all people on earth.

Hoping that the forthcoming year will bring us health and prosperity, a peaceful life and labor, we Bulgarians, like all other nations, are sitting down to celebrate with a festive meal and to propose toasts, happily greeting our children, grandchildren, and great-grandchildren who, according to an ancient Bulgarian tradition, are coming to wish us a happy New Year.

Let us wish each other that these hopes may be fulfilled.

Our confidence that these hopes will come true originates first of all from the successes we achieved in 1987 and we can truly declare ourselves satisfied with the year that has elapsed.

A new step forward was accomplished in the development of the People's Republic of Bulgaria in 1987. In implementing the decisions of the 13th BCP Congress, we enriched our material, social, and intellectual life and contributed to our country's prosperity.

The economy, which is the basis of our common prosperity marked accelerated rates of further development. We are expanding the broad-scope efforts to achieve qualitatively new growth in the national economic sector and for participating more efficiently in the international division of labor. The successes achieved to date have enabled us to devote considerable means to overcoming the losses suffered in the agricultural sector and to preventing a deterioration of the people's living standard as a result of unfavorable weather conditions.

I am confident that 1987 was favorable to our science, culture, and education, as well as to all those who devoted their efforts to the people's intellectual and physical health, to the peaceful existence and security of our fatherland.

On behalf of the BCP Central Committee, the State Council, and the Council of Ministers, I am happy to express most cordial gratitude to our workers class and agricultural toilers, to the socialist intelligentsia, and to all those who contributed to our successful progress, to the upsurge of our nation.

Dear compatriots: We live under conditions with new realities in our country and throughout the world. To restructure in conformity with these realities—this is the problem of all problems; it is our duty and our message to future generations.

The July 1987 BCP Central Committee Plenum was devoted to this problem that is of crucial importance for our country. The plenum confirmed our overall concept for the further construction of socialism in Bulgaria.

As a nation and as a party, we are involved in a revolutionary cause of historic importance.

We are aware that this is a complicated process which will take time.

Relying upon the succeses we have achieved to date, we have assumed a great task—to give powerful impetus to productive forces in the foreseeable future, on the basis of the scientific-technical revolution, to develop social relations with increasing intensity in accordance with socialist principles and ideals, to innovate all aspects of our life by totally revealing the opportunities and attractions of the new society in our country.

We have the strong will and resolve to develop our society as a self-managing society, and we possess the moral-political unity as a people that enables us to further expand socialist democracy, the creative spirit, and the constructive efforts of millions of people.

To an even greater extent we have the responsibility and the opportunity, to conduct our social policy in accordance with the changing needs of the individual, of the families, of the labor collectives, and the territorial communities.

All this represents another source of confidence that the coming year 1988 will be a new step forward along our path and an even happier year in our lives.

The process of restructuring is gathering strength. Without exaggerated speed, but without delays, we are successfully coping with the new tasks. Our country is gradually shifting toward the new tracks, without suffering any shocks or setbacks. On the contrary—the prospects of our future socioeconomic development indicate even higher speed.

We are placing socialist property under the management and administration of the labor collectives. The economic mechanism of self-management is beginning to function. The territorial communities will fully assert themselves. We need a new order, new discipline, new organization.

Certain things will have to be additionally clarified. Experience of life, practical experience, and time itself will have their say. Our theoretical thought will also make its decisive contribution.

Nevertheless, as a rule the main trend to be followed is correct, well-defined, and unmistakable. The goal is that the country should enter the third millenium as a highly developed and civilized state.

This will certainly happen.

This goal will guide and inspire us in 1988, the 3d year of the current 5-year-plan period.

Our party and people are ready for this.

We are not alone. Our restructuring is part of the common innovation process of socialism. Our great ally and brother-country—the Soviet Union—is resolutely proceeding along this path.

The new political way of thinking and acting is having a positive impact on the development of our contemporary world. Understanding of the mutual dependency and mutual interest in cooperation among countries and peoples on our planet is increasingly gaining universal recognition.

One of the first results of this understanding was the meeting held between Mikhail Gorbachev and Ronald Reagan, the leaders of the Soviet Union and the United States, and the signing of the INF Treaty. This is a historical contribution to mankind's aspiration toward a peaceful new world.

Our New Year's hope is that this world, created by the present generations and by our successors, may survive throughout the centuries.

Comrades, at this hour of assessment I am addressing every Bulgarian citizen, the present builders of socialism, as well as those who will assume the responsibility and the task for Bulgaria's future tomorrow: Restructuring is a great historical opportunity for all of us.

Let us transform this opportunity into real deeds—this is the challenge of our day. This will be the basic postulate of the agenda at the forthcoming BCP National Conference.

I wish you, dear compatriots, much happiness and successes in your work and studies, in fulfilling your duties as human beings and as citizens.

I wish health and happiness to each Bulgarian family, to every Bulgarian home.

May 1988 be a year of peace and happiness for all people on this earth.

Happy New Year to you, comrades, men and women, sons and daughters of our beloved homeland—the People's Republic of Bulgaria.

## Meets Diplomatic Corps

*AU041903 Sofia BTA in English 1738 GMT 4 Jan 88*

[Text] Sofia, January 4 (BTA)—"The Soviet-American treaty on eliminating intermediate and shorter range missiles has shown the world that nuclear disarmament is possible in the presence of goodwill", Bulgaria's state leader Mr Todor Zhivkov said today at the traditional New Year's meeting with the leaders of the diplomatic missions to this country. He stressed that now it is of paramount importance to use the experience which has been gained and to promote dialogue in order to reach new agreements in different spheres of disarmament. In this difficult process it is necessary for all countries, including small ones, to make their contribution.

Dwelling on the regional conflicts, the Bulgarian state leader pointed out that Bulgaria has declared herself for the political solution of crises and for overcoming contradictions by peaceful means.

Mr Todor Zhivkov noted that in her foreign policy Bulgaria is guided by the philosophy of new political thinking. In future too Bulgaria will do what is necessary for promoting her cooperation with all states on a mutually advantageous basis.

Commenting on Bulgaria's development in the past year, the State Council president said, that Bulgaria is continuing to invariably pursue the strategic course to qualitatively new development and that the changes in all spheres of life are gaining momentum. Innovation in this country is a complicated process and it is inseparable from the reconstruction in the USSR and in the other socialist states.

The doyen of the diplomatic corps, Mr Taha al-Khayrat, ambassador of Syria, stressed that the Soviet-American summit was an important turning point in humanity's modern history. He expressed the hope that this year there will be made new steps towards eliminating nuclear weapons.

The meeting was attended by Foreign Minister Petur Mladenov and by the Secretary of the State Council Mr Nikola Manolov.

## Dzhurov Issues New Year Order of Day

*AU041229 Sofia NARODNA ARMIYA in Bulgarian 31 Dec 87 p 1*

["Order of the Minister of National Defense of the People's Republic of Bulgaria" and BCP Central Committee Politburo Member Army General Dobri Dzhurov, on New Year's Day]

[Text] Comrade soldiers, sailors, sergeants, and petty officers;

Comrade officers, generals, and admirals;

Comrade engineers, technicians, workers, and employees of the military enterprises and offices;

Soldiers of the reserve forces:

Our people look back at 1987 with a feeling of pride and satisfaction. Under the leadership of the BCP Central Committee great work has been done in implementing the decisions of the 13th BCP Congress. The July plenum confirmed the basic premises of the concept of further constructing socialism in our country and turning the People's Republic of Bulgaria into a highly developed and civilized socialist country. The process of restructuring all areas of life is accelerating.

The remarkable celebration of the 70th anniversary of the Great October Socialist Revolution left long-lasting traces in the consciousness of our people.

The year of 1987 was also a good year for the soldiers of the Bulgarian People's Army. It is more broadly applying the achievements of the scientific-technical progress in improving the study-technical basis, intensifying the study and combat activity, and elevating the training of the personnel and the combat readiness of the troops to a new qualitative level.

The peaceful attack of the USSR and the Warsaw Pact member states and their struggle to prevent a nuclear war and advance disarmament achieved significant successes in 1987. This was most brightly proven by the treaty on eliminating the intermediate- and shorter-range missiles, signed by Mikhail Gorbachev, general secretary of the CPSU Central Committee and U.S. President Ronald Reagan. This treaty marked the beginning of a new stage in the struggle for the total elimination of the nuclear weapons and saving life on the planet.

Regardless of all this the world situation continues to be a complex and contradictory one. The reactionary circles in the capitalist countries are not relinquishing their aspirations to achieve military superiority over the socialist countries, and continue to create new systems of weapons and combat equipment, kindle regional conflicts, and act from the position of force.

The Bulgarian people support without any reservations the foreign policy course of the USSR and the other Warsaw Pact member states. The soldiers of the Bulgarian People's Army know their duty and are working tirelessly in implementing the responsible tasks springing from the defensive military doctrine of the Warsaw Pact member states for increasing the Army's vigilance and combat power and the defensive ability of the motherland.

We enter 1988, which is the third year of the Ninth 5-Year Plan. During the year the National Party Conference will take place and the 110th anniversary of liberating Bulgaria from Turkish yoke will be marked.

The historical decisions of the 13th BCP Congress, the July and November 1987 Plenums of the BCP Central Committee, and the National Party Conference will inspire us to new working deeds for raising the economic and defensive power of our socialist motherland, the People's Republic of Bulgaria, to a higher level.

Comrade soldiers and commanders, military workers and employees, and soldiers of the reserve forces,

I greet you most cordially on the New 1988 Year. I wish you and your families health, personal and family happiness, and new successes in life and work.

In connection with the New Year, I order:

A gun salute of 21 artillery salvoes is to be conducted at 0000 hour on 1 January 1988 in Sofia, the capital of our motherland, and festive illuminations are to be conducted in the oblast centers and the city of Sliven.

Happy New Year!

Army General Dobri Dzhurov, minister of national defense.

## National Bank Issues New Exchange Rates

*AU291506 Sofia BTA in English*
*1344 GMT 29 Dec 87*

[Text] Sofia, December 29 (BTA)—The Bulgarian National Bank has announced that the following new exchange rates have come into force on December 22, 1987:

| Currency | Official Rate | Premium Rate in Leva |
|---|---|---|
| 100 Austrian schillings | 7.2 | 10.83 |
| 100 British pounds | 151.46 | 227.19 |
| 100 DM | 50.90 | 76.35 |
| 100 French francs | 15.02 | 22.53 |
| 100 Swiss francs | 62.51 | 93.77 |
| 100 U.S. dollars | 82.45 | 123.68 |
| 1000 Japanese yen | 6.30 | 9.45 |

The Bulgarian National Bank has announced that as of December 29, 1987 100 Vietnamese dongs will be exchanged for 4.17 leva and not in the old rate of 100 dongs for 2.20 leva.

## TV Debate on 1968 CPCZ Plenum

*LD042345 Prague Television Service in Czech 2010 GMT 4 Jan 88*

[Debate on results of CPCZ Central Committee Plenum of January 1968 with Professor Vitezslav Hrzounek, from the philosophy faculty of Charles University; Professor Vaclav Cada, head of the department of CPCZ history from the High Political School; Milan Matous, corresponding member of the Czechoslovak Academy of Sciences and deputy director of the Marxism-Leninism Institute of the CPCZ Central Committee; and Professor Jindrich Zdenek Haba, senior scientific member of the Economic Institute of the Czechoslovak Academy of Sciences; date, place not given—recorded]

[Text] [Chairman] I think it's logical to start with the question of what in fact led to the January 1968 Plenum of the CPCZ Central Committee in Prague. Was it accidental or a necessary culmination of a certain specific stage of development?

[Speaker] If we are to pause for a thought on the genesis of the January plenum—it has, as every event in the history of our party and the entire society, its own quite specific historical roots. I believe that in order to have a simple understanding of the importance, or the necessity of the January plenum and the changes that the party attempted 20 years ago, we can only do so if we go a bit further back in the history, a few years back, in the history of the party. I think the roots of the problems have to be looked for somewhere at the end of the fifties and early sixties. Our society at that time, under the leadership of the CPCZ, fulfilled the program of building a socialist society—or that at least is what the line adopted at the ninth congress said. Simply, only with time do we know that at that time we did not fulfill or solve all the problems of building socialism, but only the basis of socialism. However, at the end of the fifties and the beginning of the sixties, the speed of success, the speed of change that we achieved in the economy, politics, ideology, and culture led to some kind of euphoria, to visions that further development would also be very fast and without problems, simply, that after the building of socialism—as the statewide conference in 1960 called this stage—we would go very fast over to the building of communism.

This also proceeded from the potential and the level of awareness in the society as well as from the objective speed of development, which the whole society achieved under the party's leadership. The vision was that further development would be just as fast, without problems as before. Then, instead of the fast entry to communism, the implementation of those slogans of the party leadership of that time—that the present generation would live in communism, that we would solve housing problems, that we would solve economic problems very quickly—instead of this, problems appeared suddenly, problems in plan fulfillment, problems in the economy. So instead of the expected fast upward move, there appeared problems in the economy—but we will speak about this, no doubt later on.

[Chairman] How did those problems in the economy manifest themselves most?

[Speaker] Mostly, that at the beginning of the sixties there was stagnation and drop in the national income. The exhaustion of the extensive sources of our economic development appeared. There were certain difficulties with changes in international economic development that appeared. There were certain difficulties with changes in international economic cooperation. Enterprises which then functioned in strictly directive-observing management form got used to relying on the center instead of on their own strength. The possibilities of the center were, naturally, limited, but not materially limited—because it was possible to hand out only what was at their disposal. There was less and less of that and it was less and less accessible, but also it was limited from finding the correct ways of development because the information at the center was naturally far from perfect.

All this already led to the beginning of the work on restructuring—then it was called economic reform—at the beginning of the sixties, specifically in 1963. It culminated in 1965 with the resolution of the Central Committee on changes in the system of planned management. All that was in a state that corresponded to the situation at that time and had it been carried further in the spirit of the original intentions it would evidently not have created the crisis-ridden situation that took place later.

Unfortunately the euphoria which was mentioned already by Comrade Cada was influential also in the economic sphere. In 1966 a decision was made to accelerate the system of planned management. From 1 January 1967 the main features of the accelerated system were introduced and in the accelerated effort to introduce the economic reform, people who worked on the problem assessed the maturity of our economy partially incorrectly. Also in part that reform was marked not only by professional, but also by ideological errors and this led to the situation in 1967, the year when the contemporary new system of management actually started to be operational, when economic problems were deepened rather than solved. This led also to further tension in the political sphere.

[Speaker] Perhaps another remark on the topic. It could be said that the party was not able—on the basis of the degree of knowledge of that time—to answer correctly the question about the state and the character of the society and what the specific prospects of our party were in social, economic, cultural, and political development.

[Speaker] I would like to add: What mattered was not only the prospects but also the specific facts of running things. I would like to quote an example which took place immediately before that January. As is known, in 1967 the Fourth Congress of Czechoslovak Writers took place in 1967 and at that congress a group of writers had came forward with quite a clear anti-socialist platform. The plenum discussed this appearance in October 1967 and those writers were expelled. However quite soon afterwards they were taken back. This was already a case of a lack of ability to tackle quite specific issues of violating, or not violating the statutes and a case of basic attitudes to the system which were [word indistinct]. On the one hand rightwing and revisionist trends were attacked, but on the other hand insufficient emphasis was put on what Comrade Svestka and Comrade Fojtik pointed out at the October plenum—that equally conservative thinking had to be attacked as it prevented the creative development of society, which was absolutely necessary. Therefore change was necessary as society could not go on stagnating. But—and here is the but..

[Speaker interrupting] How was that state of affairs which actually culminated immediately before the December and January plenum reflected in the course of the December and January plenum?

[Speaker] I would say that what matters here was not the individual—I would say historically accidental—facts, but the essence of things. In December 1967 at the plenum of the CPCZ Central Committee, criticism was made of weighty errors in party policy and also in the management of socialist construction and in the life of our party. The criticism ended indeterminately and continued at the plenum of the CPCZ Central Committee that was convened in January 1968. That plenary session was very critical but that criticism in effect mirrored a realistic view of our realities, of the realities of our economy, as has already been mentioned here. The session also reflected the political situation, the fact that thanks to the successes achieved during previous years there occurred in politics a certain, I would say dizziness from successes. We were, so to speak, too preoccupied with positive results and ceased to see or to have the courage to look frankly at negative factors. At that time we lacked courage to criticize matters. A lot of celebratory speeches were made that took stock of the successes. At times, political work began to be rather formalistic and bureaucratic. Here I would like to recall one interesting quotation of Lenin where he says that communist bureaucracy, and he calls it such, communist bureaucracy, lies not merely in paperwork but in when general truths, general theses begin to be repeated too much, which in themselves are correct but which do not possess that real force to analyze, to change, and to tackle something. I believe that this too is very characteristic of that period.

One more important circumstance of that period—the underestimation of ideology, not in the sense that too few brochures were being published or that too few lectures were being delivered, but rather in the fact that in the first place science and theory rather celebrated the existing practice instead of serving as a force for the future, long-term development of society. Propaganda rather celebrated matters than see the reality as it existed. The result was a visible conflict between words on the one hand and the realities as perceived by people on the other. This was then creating a climate that objectively forced what January 1968 in effect meant, that is, to critically analyze the situation, to embark on the course of remedy, and to bring about corresponding cadre changes. Regrettably, this course of, I would say, a real renaissance of Leninist policy was interrupted by the period of the counterrevolution and this could only be re-embarked on and implemented with a delay, only during the stage of consolidation.

[Speaker] I would only like to add that the plenum of the CPCZ Central Committee in January 1968 in effect expressed itself on all issues that at that time literally stirred society. It expressed itself positively on our relationship toward the Soviet Union, and on our membership or belonging in the world socialist system. It expressed itself in the problems of economic management. It expressed itself in the problem of relations between Czechs and Slovaks. It is a known fact that these relations were distorted during the sixties. The 1960 Constitution curbed the powers of the Slovak National Council and the Corps of Commissioners within the Slovak government was even abolished. Thus, the January Plenum concerned itself with all these issues, naturally with the objective of eliminating the existing problems or at least finding solutions for them. I would like to add that one needs to realize that right-wing opportunists began to address themselves increasingly more, even before January, to the issues existing in the society. The party's effort lead to the attempt during the plenary session to show the way of resolving these issues, but it was to have been a way in the party's interest and in the interest of the further construction of socialism. We, of course, all know well how the entire situation developed further and perhaps we could say a few more words about it.

[Speaker] I would like to return to the January plenum from another point of view. People associated with its course and with its results hoped for the resolution of a whole number of unresolved problems, with hopes of eliminating shortcomings. What kind of scope did the January plenum and the conclusions it reached open for the realization of such hopes?

No, possibly, if I can answer. I think that there was a certain scope, a certain scope was opened up. It is true that somehow, in the course of the plenum, certain shortcomings emerged, or in other words, shortcomings and mistakes were contained here by which further development led to the crises-ridden development in the course of 1968. I think that insufficient attention was paid to the criticism of those non-Marxist, incorrect views and trends. The answers to these questions were

given by those who later, or in the course of a very short time came to right-wing positions. It is necessary to say that the entire party and society received the results of the January plenum with satisfaction; we could even say with hope that in the future these problems about which everybody, to certain extent, knew, or at least could guess, would be solved.

[Chairman] What did the January plenum mean for the economy?

[Speaker] This is a question which is difficult to answer because at the January plenum the economy was discussed only superficially and only two plenary sessions in 1968 discussed the national economy and its management. In other words, this was left basically without party influence, everything was taking place only within economic organs. Unfortunately, the original trend which I have mentioned before, was deepening more and more. I have said that some elements of the accelerated implementation had in themselves a certain danger which then emerged. I mean, for example, that it was decided to accelerate the restructuring of wholesale prices. According to original plans, it was to be prepared over 3 years; then it was to be carried out in 1 year with the contention that the acceleration would be made possible by computer technology. But computers do not process only such data which they receive, and because they cannot be checked by the center, the final result of the price restructuring was such that instead of the planned increase in wholesale prices amounting to 19 percent there was an increase of 29 percent and that meant that enterprises received 15 billion [currency not specified] of illegal profit.

If enterprises have money then, naturally, the implementation of indirect methods of management is difficult because they are not sensitive to economic instruments. So then if we release the central management and introduce a system which cannot be effective in the given conditions this means that these enterprises come out of the central management. And this, in fact, was the case. Labor productivity grew considerably more slowly than wages. Other mistakes were, for example, the fact that despite the experiement showing that it is more advantageous for the state budget if there is a stake in profit—the January decision, I mean in 1965, envisaged two alernatives: either a stake in the profit or in gross income—the experiment showed that a stake in profit was more advantageous for the state—in the end it was decided in favor of a stake in the gross income because it was more advantageous for enterprises. When enterprises moved into this system of stakes in gross income they could decide, in any case at least in principle, on the share which they could use for wages and for investment. So they naturally used this as they liked best. They were not tied by anything. The fourth 5-year plan was drafted at the level of the national economy as a whole and in 1969 there was no centrally drafted plan. All this resulted in the fact that the second stage of the economic reform from 1967 was assessed very critically and its detailed analysis would, no doubt, be very instructive also for the implementation of economic reforms at present.

[Chairman] I would like to ask this: How were these destructive trends in the sphere of the economy reflected in that period of 1968 in the sphere of politics and in other spheres?

[Speaker] If I can, I would like to speak about cultural issues. The weakness that was exhibited during the tackling of the consequences of the Czechoslovak Writers Union Congress was not only a weakness of leadership. It was linked with what has already been said about the economy: That the leadership was actually unable to implement those stimuli of creative thinking that arose in the soil of the party. In this way a possibility was created to make it look as though creative thinking was transferred outside the party and a certain elite was created that then determined the character and concept of the arts and in this way the policy, the cadre issues, and so on. This was shown in January when the need for change in the development of creative thinking was revealed and the party leadership was so disintegrated that it was unable to react positively and so it was right-wingers who dictated the unified platform. The arts and cultural sphere did something else that they should actually have done.

[Speaker] I have two remarks to make. Firstly, I think at that time it was not so much the influence of the economy on the policy, but rather it was more the limitation by the political situation to rationally direct and govern the economy and this even at such a sensitive moment as when the economy was to be changed and reformed. The question is whether those various concepts were concepts at all and to what extent they were only adventurous political slogans brought into the social sphere. As a consequence, they also affected the economy and actually created more chaos than anything else.

The second remark concerns the right wing. I am convinced that it is necessary here to make a proper differentiation. In particular, when we look at those events from the vantage point of 20 years it looks like a very wide political scale of political streams. Objectively, they unfortunately had something in common: They cast doubt on and objectively violated socialism. However, on one end there was a group or a stream of real class enemies, the remains of the exploiting classes and their former apparatus who considered the time well suited for a new attempt to overthrow socialism and who naturally received great support from abroad for this. There were, however, also many people who subjectively perhaps did not wish anything bad for socialism but gave in during the previous years to a certain skepticism and started various speculations. Who wanted to tackle the realistic problems of our society with the application of various bourgeois theories, bourgeois experience?

This together created a very wide stream which we today describe as right-wing opportunism. This right-wing opportunism was very complicated, I think. These were people who made a mistake without a bad intention. These were people who under a sort of quasi-Marxist mask hid their old enmity and dislike of socialism. There were also people who assumed that attitude for other reasons—let us say, careerists, and so on.

We know that there were plenty of journalists in 1968 who for the previous 10-15 years had problems reporting on a football match and suddenly they became big stars in journalism. I think that when we speak about the right-wing it really created a certain anti-socialist block. But its genesis, its formation, was a very complicated and very structured process. We are still speaking about the initiators, about people who tried to pull the strings. But here was millions-strong masses of people who had various views as a result of their own experiences. Above all, in the course of the 1968, I think that there was a certain process being formed where many people at the beginning were united in that they could see critical shortcomings around them and felt an urge to remove these shortcomings, to solve matters. Then the transition from this basic feeling, from this experience, to the knowledge that here the very basic principles of socialism are threatened: Not every one arrived at this point at the same speed, not every one had the same prerequisites for this, not every one had the same theoretical education, practical experiences in order to arrive at that. And this, I think, created the complexity of the process which lasted only a few weeks or a few months but in fact it was a period—I would say a fundamental period for our country.

[Speaker] I would like to add: Much has been said here about the situation after the January plenum and what limits in fact made impossible the implementation of those ways out, which the January plenum very positively considered. I would possibly sum it up in one thought; That all that we have been talking about here is true, of course—there were influences from abroad, ideological subversion, the former exploitation classes, 300,000 ex-bourgeoisie members and several million petty bourgeoisie, of former members—but I think here the leadership of the party which was created at the January plenum was not able—because it was not united, because there were forces which had honest attitudes toward the party but there were also rightwing forces, opportunists and also weak ones—not capable of managing to do one thing—to make use of Leninism as a method of solution of ripe problems. Put simply, what we know the Gottwald leadership managed to do at the fifth congress, or at the seventh congress of the party—February 1948—we shall be celebrating its 40th anniversary. This is a school of creative implementation of Leninism and this is what they did not manage to do in 1968—or things were going in fact in the opposite direction, against the creative utilization of Lenin's ideas. People often ask us at various meetings and regional seminars how the present policy of the party differs—the efforts of the party leadership and all of society toward restructuring for new approaches—from that of 1968. I think that this is the basic theoretical difference—the effort to solve these issues in the interests of the party with the creative utilization of Leninism as a method, as a methodical approach toward the relevant questions and issues and in this sense the "Lessons From the Crisis-Ridden Development" adopted then in December 1970, in my opinion, is of permanent validity.

[Speaker] The January plenum of the CPCZ Central Committee in 1968 and the entire development which then followed with all the positive sides and with all the negative ones, is a historical experience for our party and our country. What do you consider to be most important from these experiences for the present, for the implementation of the process of restructuring?

[Speaker] I could start by saying that this is not an easy question—I think that it is very important for the leading force in the society, the party, but also for functionaries at individual levels, at individual sections to estimate and assess correctly and realistically the given situation at the development stage. If we assess the situation too skeptically then we do not utilize the force of possibilities which exist. If we exaggerate it, it looks very optimistic and in fact this is unrealistic, this leads to negative consequences. I believe that the art of guiding society, guiding it on the basis of theoretical principles of Leninism, and not only to know and quote these principles but also to be able to use them as a method and tool of specific analysis of the concrete situation, is the first condition, the first reality. I would like to say that today I see in the seventh plenary session of the party's Central Committee and in the person of the party's general secretary, Comrade Jakes, a prerequisite for the restructuring of our society, the real acceleration of social and economic development and the entire social development to be realized.

I see the other important conditions in the international circumstances. I believe that what favors us today especially is the fact that what has been happening since April 1985 in the Soviet Union serves as an inspiration for our reform, for our restructuring. This is a reality of which the broadest strata of our population are, in fact, conscious today. The broadest strata is looking toward the Soviet Union as an example for us; not in the sense of applying their experiences mechanically but becoming truly inspired by the critical and innovatory approaches and applying them in our specific conditions, taking into account our own Czechoslovak situation.

And finally, I believe—and this is enormously important—excuse me if I use such a rather general expression—in the political maturity of our people. I am convinced of the fact that the overwhelming majority of our people want social progress in our country. They want social justice, and the entire historical experience

has contributed a great deal toward this, including the historical experience of 1968, for although this was a negative experience it was an enormous lesson for all of us.

[Speaker] We shall have to proceed again and again from that historical experience. We discussed the consequences it had for subsequent developments in the sixties. We should not forget what has been captured in Zavada's collection of poems "At the threshold" that enormous anxiety of man who lived intrinsically through socialism finding suddenly that the development was going somewhere else; that enormous fear of what would happen. "At the threshold" means for him at the threshold of ruin, and he nonetheless saw in that society factors which led him to believe that the ruin cannot be the end of the development but a lesson for releasing creative features in society. And this is the experience which we should remember because when we say that we are standing—and I am convinced that this is so—at the threshold of the new stage of the development of socialism, then for politics and art it is enormously important to seek to find what the real position of man in this situation, how the scope for his initiative will develop, what the possibilities will be for the development of mutual relations. In other words, in what way can this art inspire politics precisely for that new stage?

Otherwise everything will remain, and this cannot be so, merely within the constraints of general or theoretical notions, and the art and literature of the seventies and eighties indicates that society possesses within itself the strength to make another step toward the humanization of relations between people and of man. And this is the concept of art, this is the position of man in society precisely in this new stage.

[Speaker] I believe that the issue of man and the human factor in general—if I am to call it in this way—is today a fundamental one [words indistinct] and I say this in quotation marks. But truly, a man, and I do not want to use economic terms, but this today is a fundamental question. This is the essential issue. It is not accidental that Comrade Gorbachev also said that the success of restructuring is simply a question of the mechanism of controlling the economy and a question of man, of democratization. Actually, his entire speech at the Great October Socialist Revolution anniversary was, to my mind—the mind of an historian—an effort to analyze the issue of activating man, of man in society, in history, man as the fundamental phenomenon for carrying out all social changes.

[Chairman] Comrade (Caba)

[Speaker] For me the lesson from the January plenum and the following development is both positive and negative. I would first like to say what is most often not said: I think that for example the issue just mentioned, the activation of the subjective factor—although you do no like it—this was really exemplary in 1968. If we were now able to win people over for the economic reform as strongly as was the case then I think it would be an important success. Now, however, the "but" will follow. I think that at that time it was an achievement that resulted from the specific situation and that was based on a not quite serious basis. It is important for me that the general enthusiasm that started after the January plenum and the willingness to cooperate in the restructuring of socialism was caused, among other things, by the fact that many promises were made at that time, many things were expected to be realized while it was already clear at the time that many of those things were not realistic and could not take place. This is one lesson that we should try to make everyone understand as far as possible, but we should base it on a realistic foundation.

I want to make a remark that when people ask me at discussions what the economic reform will bring us, I usually say: better work. I do no want to say: better life or immediately higher earnings because that will only follow better work. To make cheap promises that everything will be better in, let us say, 6 months or a year, this is one of the reasons why the reforms of 1957 and 1958 did not succeed as well as that of 1968 because they created the illusion that the system of management would be changed. We cannot say that when we pull the curtain we will find ourselves in a new world. We, however, will not be in a new world because we all started to invest in a certain way; this investment will take 5-6 years to bear fruit. This means that we will live today only as we lived, invested, and thought 5-6 years ago. This is not only technical inertia, it is also an inertia in thinking because we have learned to think in a certain way and this will not change.

I would like to remind us that the generation of people who are 50 today did not know any other way of management but the one we call today extensive and obsolete. This will also not be changed in 6 months. Therefore, a lack of patience, promising immediate positive changes, or the idea that if the changed management system will not bear fruit in a year we will go back again—this is one of the lessons that is not only from 1968 and 1969 but also from 1957 and 1958. It is necessary to realize that if something is being restructured it is like decorating the house: the old paint is already not there and the new is still not on. So there is disorder.

Unfortunately, it is impossible to avoid this for a certain time and not to say this could mean creating illusions that would result in disappointment—and disappointment after such rosy illusions is inevitable. The result is such that this could then cast doubt on things that are right on their own only that they were delivered in a wrong way. A further lesson can be seen, for example, in the fact that when the economic reform was prepared in 1967—or maybe we should start from 1963—it was not discussed very much because a monopoly group was set up around Sik and his collegues and it asserted its views very undemocratically. I recall, for example, that the

This together created a very wide stream which we today describe as right-wing opportunism. This right-wing opportunism was very complicated, I think. These were people who made a mistake without a bad intention. These were people who under a sort of quasi-Marxist mask hid their old enmity and dislike of socialism. There were also people who assumed that attitude for other reasons—let us say, careerists, and so on.

We know that there were plenty of journalists in 1968 who for the previous 10-15 years had problems reporting on a football match and suddenly they became big stars in journalism. I think that when we speak about the right-wing it really created a certain anti-socialist block. But its genesis, its formation, was a very complicated and very structured process. We are still speaking about the initiators, about people who tried to pull the strings. But here was millions-strong masses of people who had various views as a result of their own experiences. Above all, in the course of the 1968, I think that there was a certain process being formed where many people at the beginning were united in that they could see critical shortcomings around them and felt an urge to remove these shortcomings, to solve matters. Then the transition from this basic feeling, from this experience, to the knowledge that here the very basic principles of socialism are threatened: Not every one arrived at this point at the same speed, not every one had the same prerequisites for this, not every one had the same theoretical education, practical experiences in order to arrive at that. And this, I think, created the complexity of the process which lasted only a few weeks or a few months but in fact it was a period—I would say a fundamental period for our country.

[Speaker] I would like to add: Much has been said here about the situation after the January plenum and what limits in fact made impossible the implementation of those ways out, which the January plenum very positively considered. I would possibly sum it up in one thought: That all that we have been talking about here is true, of course—there were influences from abroad, ideological subversion, the former exploitation classes, 300,000 ex-bourgeoisie members and several million petty bourgeoisie, of former members—but I think here the leadership of the party which was created at the January plenum was not able—because it was not united, because there were forces which had honest attitudes toward the party but there were also rightwing forces, opportunists and also weak ones—not capable of managing to do one thing—to make use of Leninism as a method of solution of ripe problems. Put simply, what we know the Gottwald leadership managed to do at the fifth congress, or at the seventh congress of the party—February 1948—we shall be celebrating its 40th anniversary. This is a school of creative implementation of Leninism and this is what they did not manage to do in 1968—or things were going in fact in the opposite direction, against the creative utilization of Lenin's ideas. People often ask us at various meetings and regional seminars how the present policy of the party differs—the efforts of the party leadership and all of society toward restructuring for new approaches—from that of 1968. I think that this is the basic theoretical difference—the effort to solve these issues in the interests of the party with the creative utilization of Leninism as a method, as a methodical approach toward the relevant questions and issues and in this sense the "Lessons From the Crisis-Ridden Development" adopted then in December 1970, in my opinion, is of permanent validity.

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Czech political economist, Felix Oliva, could not publish in Prague in POLITICKA EKONOMIE magazine of the Economic Institute and had to publish in Slovakia because the editorial council would not let him [words indistinct]. In the individual drafts of the system of management, I would even say arrogance was shown by people who believed that they had a monopoly of ideas and were making it impossible for others to have their say on the reform. Obviously, the lack of democracy in the restructuring then is a warning for the restructuring today. I think it is correct to stress that the process of democratization and the process of restructuring have to go hand in hand. It is not possible to do one independently of the other and democratization is the core of restructuring and of the creation of the restructuring of the economic mechanism. If we deviate from this then this means that we have not learned a sufficient lesson.

[Speaker] One more comment, I know that time is running out, but I think that the social sciences as a whole face great tasks here and we have to realize that without this work, specific and theoretical, a whole number of things which are still only being drafted and intended, would not be able to be carried out.

[Speaker] This is certainly true. I appreciate the fact that there is such a broad discussion about restructuring, about draft bills on enterprises and agricultural enterprises. The discussion continues and will continue, our restructuring is not considered closed, but opened. It is not being said that it is perfect but that we reckon that it will be perfected further and this is very important because we have left the old behind—although more in our ideas then in fact. We cannot simply cancel the old, we have to build the new on it. It is the same as demolishing an old house when a new one has been built. This is a very important principle and this was not observed in 1968.

I have already talked about the introduction of indirect methods of management for which there were no conditions, even if the indirect methods themselves were very positive and today we can afford them because we know why they did not work then. This is one of the lessons which I think is important. I do not want to spend more time on this, there are many such differences. I would say one basic lesson which derives from that time is the fact that we must not back away from central planning. The vision then was that everything would be solved by the markets. That was a vision which was not confirmed at all and was not confirmed in other countries either, I would say, in countries which tried a similar approach and ideas. We have to keep to the state plan in the future. This provides a guarantee that social aims and goals will be implemented. The state plan has to reckon with commodity-monetary relations, with the initiative of individual collectives and individuals. This is obvious. Therefore, is it envisaged in the reform to plan in a new way but still to plan, and this is very important.

[Chairman] comrades, I thank you.

## Honecker Sends letter to FRG's Kohl

*LD041603 East Berlin ADN International Service in German 1421 GMT 4 Jan 88*

[Text] Berlin, 4 Jan (ADN)—Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR Council of State, addressed himself in a letter to the federal chancellor of the Federal Republic of Germany. The text of the letter, which was handed to the Federal Chancellory on 16 December, is as follows:

Dear Federal Chancellor:

The successful meeting between General Secretary Gorbachev and President Reagan in Washington a few days ago is for me a welcome occasion to express a number of concepts in continuation of our dialogue concerning the two German states' contribution to effective arms limitation and disarmament.

First of all I would like to express my satisfaction that it is not the least thanks to the concrete contribution of the two German states that the agreement on the elimination of Soviet and U.S. medium- and shorter-range missiles was readied for signature. It was arduous but worthwhile.

It now ought to become a common concern to everyone to achieve the fastest possible enforcement of the agreement, i.e. the withdrawal of the relevant missile systems. I consider it a hopeful start that the U.S. Administration already intends to stop further deployment. Our willingness to proceed in such a manner has, as is known, existed for some time.

I would also consider it extremely worthwhile, since confidence-building for the two German states comments definitively on the need not to undermine or compensate for the complete elimination of nuclear weapons categories covered by this agreement by the introduction or the expansion of other weapon systems. This, Mr. Federal Chancellor, corresponds fully to the joint views expressed in the communique on my official visit to the Federal Republic of Germany.

We surely are at one in the wish that the doubtless greater opportunities to achieve further disarmament measures become reality. Like you, I am of the opinion that the agreement signed at the summit in Washington does not merely set hopeful signs but opens up a completely new chapter in disarmament—the conjointly irrevocable reduction of armaments. In this spirit, during the talks in Bonn, we already pronounced ourselves in favor of both a 50 percent reduction of strategic offensive weapons and adherence to the ABM Treaty.

The same applies to initial verifiable steps on the way toward a comprehensive nuclear test ban.

I am paying great attention to your government's efforts to extend the disarmament process to short-range nuclear missiles. Please allow me to once again affirm the sustained interest of the German Democratic Republic in seeing nuclear disarmament in Europe extend immediately to other areas. Nuclear weapon systems with ranges below 500-km do indeed touch the German states to a special extent. The GDR was guided by this in her proposal for a nuclear-free central Europe. I was able to explain to you in Bonn that we consider it expedient to reduce tactical nuclear weapons, together with armed forces and conventional armaments in Europe. Likewise, we keep an open mind to any other idea which would advance us on the way to further nuclear disarmament in Europe, in the interest of the security of all parties concerned.

You, Herr Federal Chancellor, wonder whether the GDR and her neighboring states might not forgo the modernization of some short-range weapon systems. I can tell you that we are in consultation about this with our allies. Naturally the result of such efforts will essentially be influenced by the future plans of the FRG and her partners. Should you, too, be prepared to forgo modernization in this area steps could be taken, on the basis of the principles of equality and equal security, which would lead to the elimination of asymmetries in disarmament right up to further zero options.

It is equally important for the European states not to allow more time to elapse and to get negotiations on effective conventional disarmament and new confidence and security-building measures underway. Especially the central European states, not least the two German states, could do a lot to ensure that, on the dividing line of the two military alliances, the danger of surprise attacks is gradually reduced, and common security increased.

The GDR and the FRG repeatedly affirm their urgent interest in the early conclusion of a treaty on a worldwide and reliably verifiable ban on the development, production, stockpiling, and use of chemical weapons. Everything should be done to ensure that the agreement now within reach is not jeopardized by the production of qualitatively new chemical weapons. I am counting, above all, on an attitude by the Federal Government which would not permit the stockpiling of new chemical weapons on its territory. It would be good if you, Herr Federal Chancellor, were to reconsider your viewpoint on a chemical weapons-free zone in central Europe.

Seen from my viewpoint these are a number of inferences derived from our commonly affirmed intention to take up as fruitfully as possible the impulse of the 8 December 1987 agreement on the elimination of medium- and shorter-range missiles. Let there be no let-up in the arms limitation and disarmament process. The benefit that in particular the peoples of the two German states would derive is obvious.

I look forward to your reply with great interest and thus to the continuation of our dialogue concerning fundamental issues of our time.

[Signed] Yours sincerely, E. Honecker

**Honecker's New Year Greetings**
*LD301817 East Berlin ADN International Service in German 1124 GMT 30 Dec 87*

[Text] Berlin, 30 Dec (ADN)—Happiness and peace for all citizens of the GDR:

By Erich Honecker, general secretary of the SED Central Committee, chairman of the GDR State Council;

The old year is coming to an end and a new year is just around the corner. In reviewing what has been achieved, we, at the same time, greet our people.

At the start of 1987, it was our firm intention to make use of each day, each opportunity, and every level to work toward averting the danger of a nuclear inferno through our chosen course of dialogue and cooperation. We acted accordingly. Now that the year is coming to an end, we can state that it can be characterized by none other than encouraging and hopeful results. International policy has undergone movement, which, despite serious opposition, is proceeding in the direction of disarmament, reducing tensions, and replacing confrontation by cooperation. Reason and realism have gained ground on a broad basis.

Here the appeal of the socialist peace program, which the Warsaw Pact member-states underlined and augmented with fresh elements at their Berlin summit of May 1987, becomes particularly apparent. It is an expression of our ideal of a nuclear weapons-free world by the year 2000, the freeing of mankind from the scourge of war by means of disarmament in the nuclear as well as conventional sphere, guaranteeing a stable security for all, and peaceful coexistence and cooperation among states with different social orders. At the same time we respect the fact that the need to advance along paths of stabilizing peace—which are indispensible in the nuclear-space age—is now dawning on the governments of Western states. What was probably the most important event of 1987 could not otherwise have come about, namely the conclusion of the treaty of the srapping of nuclear medium-range missiles on the occasion of the third summit between Mikhail Gorbachev and Ronald Reagan in Washington. At the Berlin meeting, immediately afterward, the leading representatives of the Warsaw Pact countries stated their full approval and assessed the treaty as a historic milestone in the creation of a nuclear weapons-free world. The devilish creation is disappearing. Mankind is one hope richer.

My official visit to the FRG and its positive results received such international acclaim precisely because the visit is conducive to the solution of the questions of war and peace in a particularly sensitive area, in the heart of Europe, on the dividing line between socialism and capitalism, the Warsaw Pact and NATO. It was confirmed that the GDR and the FRG are two sovereign, independent, equal states, which meet their great responsibility for peace preservation all the more effectively the more they actively contribute to disarmament and cooperation instead of confrontation. War must never again emanate from German soil, but rather only peace.

The achievement of a 50 percent reduction in strategic offensive weapons while strengthening the ABM Treaty, as well as a drastic reduction in conventional arms and armed forces is on the agenda for 1988. The efforts still required for further steps toward disarmament are shown by intentions in NATO to compensate for disarmament in one sphere through arms build-up in another. In the final analysis, this means that the arms race will not be ended, but merely that its form will be altered.

We are now working toward a nuclear weapons-free GDR and FRG. We are ready for this. This means that there will be a withdrawal of offensive weapons from German soil, the disappearance of nuclear weapons with a range under 500 km, including nuclear battlefield weapons, from the soil of the GDR and the FRG, and the elimination of existing asymmetries, for example in the sphere of tanks or combat aircraft, through disarmament.

The year 1988 has particular importance in the further shaping of advanced socialist society in our country. The plan law thus provides for a continuation of the present tempo of economic progress and an acceleration in important sectors. At the same time we will continue to alter our economy's structure and increasingly derive growth in performance from the key technologies.

In many areas not just great, but new challenges are appearing. Production and science, science and production will be even more closely linked. This means on the one hand developing and producing top scientific-technical performances and, on the other hand, mastering their application even better and deriving the greatest possible economic advantage for the GDR from products in microelectronics, automation technology, biotechnology, and other developments with a promising future.

There are a number of concepts that are interlinked in our economic strategy and in which these challenges overlap. Here I am referring to creative scientific-technical achievements, rapid growth of labor productivity, high quality, economy of materials and energy and, consequently, lower prime costs and judiciously placed and efficiently implemented investments. Our plans allow the qualitative factors to take effect in their interrelationship in order to expand our country's economic strength and its positions on the world markets. This path, above all, continues to strengthen the base of social progress. After all in 1988 another 211,462 apartments,

including newly constructed and modernized ones, will be made available which will bring us closer to the solution of the housing question as a social problem by 1990 and make our towns and villages more attractive. A visible increase in the range on offers in our domestic trade with high-quality, well-designed consumer goods, reflecting the scientific-technical skills of our people is planned. Goods required for everyday use must continue to take priority.

Hard work will therefore continue to be worthwhile. The solution of these tasks requires a high degree of commitment to performance and education and added to this, wise management with the ability to promote and utilize this. A creative atmosphere, which mobilizes the knowledge and experience of each person for the common cause is necessary. As is known, this climate flourishes best where ambitious targets are accompanied by a realistic view of developments. What is successful under our specific conditions, what is an obstacle and how it is to be overcome, how goals are to be achieved—these are questions that greatly interest the public since our people after all rightly see economic and social policy as the main battleground.

Fraternal cooperation with the Soviet Union, which, following my talks with Mikhail Gorbachev in Moscow and Berlin, will concentrate even more effectively on products and technologies of top international standards, is of the greatest value here. In this, and in the further shaping of economic cooperation with the other CEMA states, we see indispensible pre-conditions for realizing the policy decided by the 11th SED Congress and for contributing to the economic strengthening of socialism as a whole.

Proceeding from the creative abilities of our country's people, we will enter the new year with optimism and vigor. Our central idea is and remains doing everything for the welfare of the people. Working together, planning together, and governing together means helping to implement this central idea. In this I wish everyone good health, all the best in their personal life and fresh successes for us all.

## Nemeth Delivers New Year's Address

*LD011245 Budapest Domestic Service in Hungarian 1105 GMT 1 Jan 88*

[New Year's address by Karoly Nemeth, president of the Presidential Council—live or recorded]

[Text] Dear listeners, compatriots. On the first day of 1988 I greet all of you with sincere respect. Conveying the good wishes of the leading bodies of the party and state, I wish you and every friend of our people a happy, peaceful, and successful new year.

While wishing a happy new year, I greet with fraternal sentiments the Hungarians who live beyond our borders, those living in adjoining states, just as much as those who were led by their fate to faraway places in various parts of the world.

The year is perishable; this was a common saying in times past. They were thinking that time flies fast. But it was also said that the end of the year was far away. This is the reverse of the previous wise saying: it means that a year is a long time and we must look forward and apportion wisely everything that we have.

On the first day of the new year we can appreciate the wisdom of both of these sayings. While working, time appears to go faster. During the past year we had plenty of tasks. As a result of our people's work, national income has increased and some industrial and agricultural enterprises and cooperatives improved their performance and economic activities. Looking back on the past year, we can say with a clear conscience that the work, the struggle, was worthwhile and has yielded fruit.

At the beginning of the new year we must also look ahead. This year 1988 means more for us than the usual succession of years. We are facing an important period for solving our accumulated problems, for being tested. The goals based on the July 1987 resolution of the Party Central Committee and which are embodied in the government work program approved by the National Assembly and in the national economic plan for the current year raise greater demands than before on all of us.

The measure of quality is now higher and this demands greater concentration, individual and collective endeavors, a new type of thinking and activity. We can overcome the present difficulties with better, more effective work. We have a program which we can jointly undertake, with whose realization we can continue successfully the building of socialist Hungary, we can create the financial conditions for the solution of the known, pressing social problems, and can serve successfully the material and intellectual flowering of our people.

Our tasks have been shaped into a national program in the course of wide-ranging debates, and through clashes of opinions. It is our joint and unanimous stand, and an important part of our program, that we are progressing along the advancement of the economic reform, the expansion of socialist democracy and the development of the system of political institutions. These are socialist reform endeavors in whose implementation we can confidently rely on the overwhelming majority of our people. We can build on the experiences of social and economic renewal in the Soviet Union and in other socialist countries and on the possibilities inherent in modern cooperation.

We call upon all our fellow citizens who regard the present and the future of the socialist homeland as their own cause to work on the fulfillment of our program.

Esteemed listeners. The period, longer than a millenium, since our people has lived here in the Carpathian Basin, has often tested the Hungarians and the national minorities who shared their fate. We have often had our full measure of struggle, fight, standing our ground, at times merely for our existence. It is the lesson of great historical trials that if people do not give up, if they are capable of learning from experience, if they combine talent with hard work, if they unite their efforts, the work of building the homeland will bear fruit.

The fact that our country belongs to the great family of socialist countries, to the vanguard of social progress, also testifies to the creative will and vitality of the nation. Admittedly, we are making slower progress in the building of our new world than we expected at one time. But there is no reason to lose heart when we think of the road that we have travelled. We can build on solid foundations. After all, despite the painful faults and mistakes, during the past decades the Hungarian people have created something that is lasting, that is even historic.

If we are honest with ourselves, if we can evaluate realistically the experiences of the decades behind us, and if we measure the results to the possibilities and not to our desires, if we give correct answers to the new questions posed by life, then social collaboration will develop also in undertaking the goals and in making the endeavors for their implementation.

In our days responsible and active participation in the fulfillment of the program for resurgence is the test of this. The fact that the situation of the national economy developed somewhat more favorably in 1987 than in the previous 2 years gives strength for the start of this year and hope for the continuation of the work. However, we must be aware that all this is not yet sufficient for laying the foundations for the implementation of the program. But there is no time for meditating. We cannot wait more years for the solution of our problems, the implementation of our tasks. Deeds and action are needed.

The fact is that in the new year the international conditions will be more favorable for our work in reassuring and a source of optimism. With the Soviet-U.S. missile

agreement and the negotiations between the leaders of the two great powers promising further progress, the chances have strengthened for curbing the arms race, for strengthening the confidence between peoples and countries, for peace. It is with a good feeling that we can think about the fact that the Hungarian People's Republic has also contributed to the easing of the international atmosphere. We shall do everything in our power in the future as well in the interest of living and working in a safer world.

In the hope that with joint endeavors we shall solve the tasks facing us, I wish my fellow citizens a new year full of successes, peace, happiness, and good health.

### Meets Diplomats

*LD041512 Budapest MTI in English 1445 GMT 4 Jan 88*

[Text] Budapest, January 4 (MTI)—On Monday Karoly Nemeth, president of the Presidential Council, met in the Parliament the heads of the Budapest diplomatic missions, who expressed their good wishes for the new year. The reception, marked by cordial atmosphere, was attended by Sandor Gaspar and Rezso Trautmann, vice-presidents of the Presidential Council, Imre Katona, secretary of the presidential council, and Peter Varkonyi, minister of foreign affairs.

### Premier Grosz Interviewed on Views

*LD020012 Budapest Domestic Service in Hungarian 1800 GMT 1 Jan 88*

["Close-up" Program: radio-television interview with Karoly Grosz, chairman of the Council of Ministers, by correspondent Tamas Vitray; date and place not given—live or recorded]

[Text] [Vitray] The title of this program is "Close-up,"which means that we will acquaint the viewers with the lives of national leaders. Although the viewers are obviously curious about your personality, your life, nevertheless your views, your intentions, your opinions, the way you see the future, these things excite the viewers at least to the same degree, or so I believe. And I have prepared with that view in mind. I have to say this in advance because I am convinced that the interesting part of this interview will naturally be provided by what you say. But the questions which I may ask will also contribute to a large extent. And so, if you agree, I would like to begin in this spirit.

[Grosz] Naturally, with pleasure. This is a very good approach as far as I am concerned.

[Vitray] In an earlier interview which you granted to Akos Mester the question of your name arose. It is a German-sounding name, and you have said that it was often demanded, from very high places even, that you change it. You said: The name was all right for me in the past and it will do for me in the future too. No doubt there are other arguments as well to explain why you have kept your name.

[Grosz] Well, in fact I cannot fabricate any kind of ideology to back it up, I must say qyite honestly. On my father's side I originate from County Heves, and my ancestors settled there some time around the start of the last century. They spoke Hungarian with quite a bit of difficulty, according to some. Above all, they spoke with a German accent. My grandfather was a foundry worker at what is now the Lenin Metallurgical Works. At that time the enterprise was called (Rima-Muranyi). He worked in the foundry under this name. My father was a capstan operator in Diosgyor. He likewise used this name. I saw no justification for changing this name.

[Vitray] Would your father have taken a change badly?

[Grosz] I don't think he would have interfered in it. We had a very good relationship, he and I, and I have led an independent existence since my childhood, since the age of 16.

[Vitray] Did you speak German still at home?

[Grosz] No. No, no, no. As for my mother, she was of Slovak origin. So we spoke only Hungarian at home. Of course, I do not say we spoke it beautifully, or well, but we spoke a Hungarian that is typical in Diosgyor even today.

[Vitray] Now then, first of all you started to learn your father's trade. That is to say you went as an apprentice to the machine factory.

[Grosz] Yes, yes, yes.

[Vitray] And then you became a printer, because there was no need of apprentices, in other words, there was unemployment.

[Grosz] That's right. Well, as a result of the bombing the factory was not able to produce. And my mother had been working in a printing works for a very long time by then, as a layer-on. One of the first products that were needed from the printing works were that newspapers were needed, posters were needed, food coupons were needed. In other words, everything that is necessary for organizing life after a war. And there I had the means and the opportunity to learn a trade immediately.

[Vitray] I know that you had to join the trade union, because the other printers demanded it.

[Grosz] The trade unions joined forces sooner than did the proprietors, and they had fought for and achieved a working wage that was very high under the prevailing circumstances. By that time the collective contract, or work contract, was already in force. Anyone who was not

a trade union member could not be employed by the proprietor, because the others would not agree to work with him; but anyone who was a trade union member had to agree to the trade union's demands, or norms. Now then, this trade union was also very demanding as to work. This is very interesting. In other words, it was not only mindful to achieve for its members some kind of advantage, and a just advantage, but it also demanded that in return for this the proprietor should be able to ask the same kind of work of the workers and that the worker should be able to guarantee this work, so that it would be worth the proprietor's while, too, to employ these people and to cooperate with the trade union. It was a very particular role which the trade union undertook. It worked in two directions: it set demands itself vis-a-vis the proprietor.

[Vitray] I don't think it would be crazy to remark that in many respects it would be a guiding example even in our day.

[Grosz] Very much so. That is true, that is true. The other thing which is perhaps at least as edifying for our day is that the trade union movement of that time was extremely mindful that the workers should take their place in a working community not just on the basis of their fund of experience acquired at the local workplace. But it also sent the workers on trips; through its international contacts it ensured that the most talented ones should go to Germany, Austria, Italy for 6 months-1 year to acquire the working culture there and....

[Vitray, interrupting] To have a look at the trade there.

[Grosz] To have a look at the trade. It arranged that the Hungarian worker should be received by the trade union there, that the capitalist in that country should employ him, that he should work for 1-2 year; he learned the language, he got to know other techniques, and then he returned.

[Vitray] Then in 1945 you joined the Hungarian Communist Party, although the majority of trade unionists were Social Democrats.

[Grosz] Partly it was the family atmosphere and climate at home, for my father was a member of the illegal communist party. Also, within the printing works, by that time, after the liberation, the Communist Party organization was a legal organization, so a possibility of choice opened up.

[Vitray] In 1949, correct me if I am wrong, you became a professional political worker, to put it thus, for this was the term.

[Grosz] Yes.

[Vitray] What was the decisive factor in this, that you left the printing profession and took up a political career.

[Grosz] Well, there was not very much of a conscious decision in this either. At that time, the way these things went was that they said that the youth movement had to be organized. Not just in the town, for as a member of the printing trade union and as youth activist, I actively organized the public works appropriate to prevailing political conditions in the town, but they said that now there had to be organization in the villages too.

They came out and said that I should go for 1-2 years to organize the young people in the villages. At that time, there was no idea that I would end up there. As a matter of fact, this was planned as a small outing. We thought that around the beginning of the Fifties I would go back to work in my profession which I liked very much.

[Vitray] Instead of that, you became an officer in the army.

[Grosz] Well, at that time, everyone who was in good health had to do their military service, as it is indeed today, there is nothing new in this. They cut my hair almost bald, as was usual then, but not now I think. They cut our hair almost bald, we put on our boots, and well, we started the left-right. As with every new soldier it starts with formal training. I was lucky, for I was called up in Szekesfehervar. At that time the airport still showed the effects of being bombed, so apart from the formal training there was also clearing away of the debris and other things. A military air base was built there at that time; we built a runway.

Then they took out the documents and saw that I was a party member. They saw that I had worked in the youth movement. And of course 1950 was the time of the changing of the officer corps of the Army, 1949, 1950, 1951, 1952. From there they sent me to the Petofi Political Academy.

[Vitray] What kind of education did you have before you went to the officer college?

[Grosz] Well, to use today's concepts, that would mean that I had completed secondary schooling and an economics technical schooling. I say this because at that time this was not a technical school, it was not called that.

[Vitray] You were demobilized in 1954. Was this your own intention, or were you just demobilized?

[Grosz] I was demobilized on 22 November 1954. Well, many people do not know that in the summer of 1954, after the June 1953 Central Committee meeting, there was an effort to reduce numbers in the Army.

[Vitray] Yes, I think there were 20,000 people.

[Grosz] That is right. At that time, there was a resolution to reduce significantly numbers in the Army, and then one could ask to be demobilized, without any kind of

political tinge to it. What is more, it was decidedly desired then. I asked to be demobilized, and I was indeed demobilized on 22 November 1954. That is how I got back to County Borsod. I went back very briefly to work at the printing works, for that is where I originally wanted to go back. I went back to the printing works, but then there was a big reorganization at the county party committee, and as an emigre from there, they at once, after a few months, called me to work at the county party committee, and I went there.

[Vitray] I would like to speak about 1956, but really just touching on it generally. I know that at the beginning you were chief editor of a paper.

[Grosz] That is right.

[Vitray] Later on, there were quite a few reproaches to the effect that the miners' call appeared.

[Grosz] The students' call.

[Vitray] The students' call. You were reproached with the fact this appeared in print, and I think other things too—I prepared from that same interview in this respect—other things too, which were clarified later. So much so, that you received two orders of merit, the Freedom Order of Merit, and the For the Workers' Peasants' Power.

[Grosz] I would like to stress very much that the criticism or censure directed against me was not without basis. For I do not say that I was infallible, nor that I could evaluate the processes with absolute precision. Well, to mention just one thing, that in the confused intellectual processes of that time I could, for example, imagine only with great difficulty what the party's role would be as regards the future; one party, several parties. I myself gave support to there being a social democratic party, that there be other parties, a smallholders party, and a civilian democratic party.

Let us say, of these, looking back from today, I was not right when I took on the division on the workers' party, that is that there should again be a communist party and a social democratic party. But as to there being several parties, I would perhaps, even looking from today, if the political relations there had not developed in this way, I would consider it justified and would not have to be ashamed of this. So, therefore I gave them the opportunity to attack me, but they could not say that I was cowardly and hid. They cannot say I was a traitor. Of course, they could say that I made mistakes.

Now, they exploited this. This, as a matter of fact, looking back on it from today, does not really have to be called tragic. At that time, this really was very unpleasant.

Now, let me say that it has occurred to me several times since, because even now the period in which we live is quite hard—of course, thank God, it is not as bad as it was then, not in the same sense—and even today I observe that people do not readily own up to the consequences of a mistake or a faulty concept which they committed or adhered to sometime before. They accept the copyright, so to speak, only with great difficulty. Perhaps, I do not know, there is a greater willingness to "explain" why at the time they thought the way they did or to reinterpret the previous stand in some way. I consider this a negative phenomenon, mistaken even from the point of view of the reality of today, looking at it in hindsight.

I have found it quite difficult to get over the political experiences of 1953-1956, to face them, to examine the situation, and to reassess relations; and in doing this, I have attained new knowledge, from which the extent of my naivety with which I lived through a very difficult period became clear. I found it impossible to sort them out by myself. My father was a great ally of mine in my seeing this era and my role in it in a more calm and matter-of-fact way; and my father also helped me at the time to realize that instead of shedding one's illusions about ideals and the system, one must draw the right conclusions and one must put the idea behind oneself, the idea which was one of the sources of my having looked up to people as gods, and thus equally infallible. It was my father who suggested to me that politics are made by people and they are not free from mistakes, and so on and so on.

Well, at that time, this inner struggle and the birth of ideas within myself took a very long time, and for a short time I even went back to the plant to work. It was not the fact that their confidence in me had been withdrawn which played a role in this decision, or that this period and everything in it—which I value even today—should be recognized even today. Because it did not bother me in the slightest—it was the furthest from my mind that I should be decorated—and in any case throughout my career my self-assessment has always been done very poorly, because it turned out that I was always decorated at a time when I thought that my dismissal was being prepared, and I had to go to another post when I thought that I was going to be awarded; that is, my sense of proportion has not worked well.

[Vitray] Is it certain that this has been your shortcoming?

[Grosz] I do not know.

[Vitray] It is easier this way.

[Grosz] Yes it is easier this way. Well, I did indeed think about going back to my trade at the time, and I did go back for a time. However, i Was extraordinarily attracted to what the revolutionary worker-peasant government—and namely, Janos Kadar—promulgated just then. It made me enthusiastic, I felt that it was possible

to do something there and that I was going to do my share in it; and therefore, I returned to the party committee and I thought that I was going to work there for as long as I was needed. It was then that the idea came that I should go to the party high school to learn there. I could have done with some education.

[Vitray] Apropos of this, I made a note of this, but perhaps it might have been left out; you attended the Political Academy, including the political school, after which it was the Hungarian radio and television where you were the independent party secretary. Then you were deputy head of department in the Central Committee; then first secretary of the Fejer Country Party Committee; then you returned as head of department of the Central Committee, then first secretary of Borsod County Party Committee, then first secretary of the Budapest Party Committee; and your next job was your present position. It is in this capacity that you are sitting here and I am able to question you. Now, you have said in relation to decorations that you were always awarded recognition when you thought that you were going to be replaced, and that it was always at the time when you thought that you were going to be decorated for your work that you were replaced. Now, which appointment on the list which I just gave belonged to this category?

[Grosz, laughing] Well, it is very difficult to speak about this in retrospect, because I felt that the leadership was not behaving objectively when it recommended me to become first secretary of Fejer County Party Committee and relieved me as deputy head of department in the Central Committee. Well now, it is difficult to explain because it was a promotion in form, it was a higher position, a higher rank, but despite this I felt that my work had not been assessed objectively.

[Vitray] In other words the reasoning was definitely that you had not carried out your work to popular satisfaction, or to universal satisfaction or to the satisfaction of higher ups?

[Grosz] Well, it was also said in the explanation that I had held such views, I represented such concepts on some political issues that were not in harmony with the endeavors, concept, and attitude of the leadership at the time. I consider it natural that when a political leadership deems that an employee holds views different from those held by the leadership, then it has organizational consequences as well. But what hurt me was that I was unable to put forth my arguments, to dispute, and that I was unable to explain my stance on some issues. Really, this was equal to one being relieved of one's post.

[Vitray] It is an interesting point because what strikes us listeners, laymen, whould be that if they felt that your approach and certain views of yours diverged, they would place you in a very important area—how did you put it, in a higher post—just to move you away from the immediate neighbourhood.

[Grosz] Yes, although there might have been another intention behind this, I think, the intention was that my ideas should be conronted with reality, that it should become clear whether I was right or not.

[Vitray] Did you have to revise your ideas or did reality justify them?

[Grosz] Both. I had to revise my ideas as well; but in retrospect, it appears to me that I had to revise my ideas less, although there was one question regarding which it became clear I was not right.

[Vitray] Nevertheless, people have personal ambitions. I should not think that the function of prime minister was one of these, but let me ask you about it all the same.

[Grosz] Well, just think about it, can a worker's child, who was born in Diosgyor, if he is at all realistic, expect to be chairman of the Council of Ministers of the Hungarian People's Republic one day? This is impossible, unimaginable. On top of it, the fact of the matter is that at the present this is not even the most attractive of posts. Perhaps it would have appeared as such in those days, but I did not have sufficient imagination to envisage it.

[Vitray] Well, yes, it is quite true that it is held by public opinion, one can often hear it, that this is the way whereby his rivals want to make minced meat of Grosz. I am sure that you have also heard this, even if put differently.

[Grosz] Yes, I have heard of it from my friends; I hear it in my family; I hear it when I go home to my birthplace; I read the various news agency reports.

[Vitray] What do they say?

[Grosz] They have said that as well, naturally. We are seeking the ways and means of a solution, a better solution, amid very acute economic and tough political conditions. This occurs through debates, there is no other way of doing it. It cannot be envisaged without debates. Those who look at the debates from the outside place people into different groups. This is what gives rise to the false view that there was some sort of power struggle here in the leadership.

[Vitray] Is there no rivalry?

[Grosz] I think that there is a very sad situation. There is no rivalry. This is a terribly bad situation.

[Vitray] Are you serious about this?

[Grosz] Very serious. Look, just think it through. If in a political movement which has been given the historical burden of having to accept political responsibility by itself there is no healthy struggle among the people working within the leadership for becoming one of the

best, to acquire the greatest influence, with decent methods, clean methods, this is terribly damaging to the movement, because what is behind this is a lack of one of the most important things, ambition. Without healthy ambition achievements do not, have never, come about.

This is because in the past decades this was something that could be misunderstood very easily here. This has developed a reflex in almost all of us whereby we will express our opinions, but we are terribly careful lest it is thought that we are setting ourselves up as a rival to some people or to someone. This is a pose which we force on ourselves and which holds us back. From another aspect, its theoretical roots are also mistaken, because this comes from the false interpretation of unity. This is a view that unity means that we have to step in unison, have to express ourselves in the same way, that we can express the differences in our views only in the innermost family circle. This is not a good thing; this has a damaging effect on the political image of the entire movement. But I see the greatest damage in that those participating in the leadership also become colorless in the eyes of public opinion, that, as is often said, they lose the color of their face, and all this comes from not wanting to appear as wanting this or that, or wanting to become this or that.

[Vitray] What gives rise to this fear?

[Grosz] A very particular situation developed after 1956: a tough struggle for consolidation, in which speaking the same language was of very great importance, because there was great intellectual chaos. But afterward this became chic, and the norm, and a requirement. This was so even when it was no longer the traditional terminology and political function of speaking the same language that was topical but the clashing of opinions, debates, the formulation of different positions.

[Vitray] Would have been, you mean.

[Grosz] Would have been. In the inner leadership it was, too, but this did not appear before the movement and it did not appear before public opinion. So I think that it is somewhere here that we find the roots. This is what we grew up in, and we thought that was the normal thing and the correct way of doing things. In handling contemporary reality we must realize that this is a bad tradition, that these are bad roots for us now, and this is one of the reasons, not the only one but one of the reasons which make it more difficult for us to deal with the present-day, more acute poliitical situation, which is much more hungry for discovering the alternatives in the search for the right road.

If the leaders do not express their views in a wider circle, if they do not show their processes of thinking on various topics, people feel that there is a lack of thought here. That is why I profess that the content of unity must be reevaluated and reformulated inside the movement as well, and the system of requirements relating to the representing of unity must also be reformulated. I believe that this is something that we shall carry out in the present workshop preparations, in particular in the course of preparing for the party conference.

This is something that we could not avoid in any case. It comes from this that when the first timid shoots appear, the differences in opinion, then people start saying that Berecz is Grosz's friend, or that Berecz has turned against Grosz, or that Berecz and Grosz have turned against Pozsgay, or that Pozsgay has turned against them. Yet there is not a bit of truth in this, not only because on a human level relations are excellent between us, but also because it is natural that we argue and there are differences of opinion between us. It is the differences in opinion which gain expression in the course of the debates.

[Vitray] What do you regard as your task here, in this function?

[Grosz] Let us look first at our domestic conditions and then, if possible, let us look at our place in the world, in part within the camp and in part outside the camp. Hungarian policy, foreign policy, has been very open since 1956; it has sought the possibility of dialogue with every constructive, intelligent and progressive endeavor, and I think that this foreign policy is based on the pillars of a peace policy, that it has smoothed the road of friendship and cooperation, and this today is a point of departure for the implementation of today's program and for the program for stabilization, which we need not alter but, building on it, we must advance more decisively and more bravely.

Now, these foreign political basic values have manifested themselves even up to now in a changing world, and they exist in a changing world as regards the future as well. Now, the change in the world is once again in a dynamic period—there have been examples of this earlier as well, of course—to which, naturally, we must adjust. It is beyond question that the opening, the renewal taking place in the Soviet Union, the rethinking of the entire 70 years, the introduction of a new style of work, a new practice of leadership, create new relations in international relations as well. Partnership becomes formulated at a different level than in earlier times; it gains a new content.

[Vitray] In what way?

[Grosz] Well, among other things as regards the increased manifestation of interests, the greater manifestation of mutual interests.

[Vitray] Do you mean that there is some sort of equalization of interests? [Grosz] Yes, this is quite right.

[Vitray] And the scales do not move in favor of the other side? Is this what you have in mind?

[Grosz] Yes, quite precisely, this is what I have in mind, that here, today, in this relationship, in every single decision we pay attention first and foremost to the national interests and then to the international interests. So I think that this is an entirely new situation, and this is true not only between the Soviet Union and Hungary but also between Hungary and the other socialist countries.

Of course, many conflicts arise from this, and again quite naturally, these are not political conflicts but the clashing of interests. It is more difficult to reach agreement today than it used to be. Our partners insist that they are in the right, and so do we.

[Vitray] So this is not a particularly Hungarian change of approach, but this is how relations have developed now inside the socialist camp.

[Grosz] Yes, and this is a very great thing. The political atmosphere of the 43d extraordinary CEMA session provided a great experience for me in this respect. We discussed the topic of the modernization, the further development of CEMA as an international organization, and it was apparent that we approached it from many aspects, trying to realize national interests within an international interest. Thus it is a new system of relations which is being shaped here, which does not happen without conflicts, but which is certainly the road of progress.

[Vitray] Let me interrupt you here, if you will forgive me. This is a paradox, but I must ask you nevertheless: Would not the less modern, the previous approach, be better in our current difficult economic situation? I am thinking of the tighter compulsion to help, so to speak.

[Grosz] Yes, this is true. Your observation is justified, perhaps from the practical viewpoint this is a better mechanism, but it would have brought only momentary successes. It would not have been a viable road and perspective either from the viewpoint of the long-term development of the nation or from that of the development of the socialist community. In this sphere we must not step back and we must not even look back; we must go forward and look ahead. What is needed is a new, modern approach as regards our relations with the world, our relations with each other, and also as regards our internal affairs, inside the community as well.

As regards the world outside the socialist community, there is a great reorganization taking place there as well. The spirit of detente permits a much greater sphere of action for a small country such as Hungary. Perhaps I need not specially emphasize that this is so not only in that the possibilities for building up relations are greater: the possibilities for domestic experimentation are also changing and this is at least as important. Amid more acute conditions we have fewer possibilities for drawing from other sources as well, we can take fewer risks, because there is less scope for making mistakes. What is no less important is that we can release fewer resources for experimentation.

Now, naturally, this requires further advance in the work of building up relations with this world as well. Thus, this opening and this work of building up relations open up a new world for the leadership, which it must utilize.

[Vitray] Do you feel that the policy of Gorbachev and of the Soviet Union facilitates this for the socialist countries?

[Grosz] I am convinced of this.

[Vitray] Does it motivate them in this direction?

[Grosz] It is very difficult to say that it directly motivates them or does not motivate them. For a long time and particularly now there is a very unequivocal position that every party, every government, is responsible for what it does, and it chooses its own road and its own means. In other words, it neither motivates nor curbs them directly. Indirectly, however, it provides the greatest encouragement, and it is obvious that if the Soviet leadership itself builds the bridges and seeks the solutions, then it is in accordance with its national interests as well if the other allied socialist countries also seek and build the bridges, even if they are not in the same weight category, if you will excuse the expression.

[Vitray] Well yes, but the question is, of course, in these times those listening to and watching us may say yes, but is it permitted to maybe step ahead of them in this bridge-building, or do they set the pace?

[Grosz] Well, they have not been setting it for a very long time now. If we did not step ahead of them, it is because either we did not recognize that we could, or because we did not have enough courage for it. But there is a third factor too, which perhaps belongs here. It is not certain that the willingness to accept this step is always the same. For this plays a part too. There are places where we are looked upon more favorably as partners in talks, and there are places where they do not even hide the fact that, for example, the bridge build through us will perhaps even lead as far as Moscow. They have even said this to me.

[Vitray] Now, let us look closer to home, to domestic matters. During the very short time of your premiership, what is it that has been created, started, or mobilized? I could provide a list of verbs on the basis of delete where not applicable.

[Grosz] As a matter of fact, to this day we have not yet answered the question of what this nadir of 1985 and 1986 can be attributed to, why the performance of the

economy fell back so much, why the debt stock rose by over $3 billion in 2 years. We did not answer why practice refuted so quickly our ideas outlined at the 13th congress.

Now it seems that an answer cannot be given to this purely on the basis of the experiences of 1985 and 1986. Perhaps we have to go back further. At the start of my premiership, the intellectual debate about this was already going on and it is very important to know this for without this, the stabilization program approved by the National Assembly in September could not have been introduced. If the process of analyzing the situation, path searching, formulating the program had started in June, at the end of June when I was elected as premier, then this would not be ready even today. For here in Hungary, it is not the same as in other countries, that the shadow government is preparing for years with a different conception for the future. Here, the party carries on a debate, prepares the program, and the government takes on a part in its state organization and implementation.

So, this way of thinking, to review our practice and formulate a program appropriate to the changed conditions, started earlier. From, let us say, June to September, this process speeded up, when I was put here, but not because I came here. It speeded up because the analysis had reached the stage where something could be formulated: the stabilization phase. Not the resurgence but the stabilization. That is what the parliament accepted, what is the most urgent, the most important. It took account of some of the actual issues of the economy. Then comes the next issue—to adjust the government work and the system of institutions to this and together with this and following this—for both are true—to create the personnel conditions.

So, we must now put an end to the process of first looking for people of whom we assume something—and either we are right or not—then we adjust organizations to them, then they work out its own conception. This is no good. Things must be done exactly the other way round, and now we have done this the other way round.

Well now, this is why at this session we came to the idea of changing the highest level of the government and we made decisions. I also emphasized at the National Assembly session, and this also appeared in the papers, that this is the first stage of the reorganization, not the last. The earlier conception envisaged for this a period lasting until 1990. This is too long, conditions are too complicated for us to wait with this. We want to conclude this in 1988. So this will continue.

[Vitray] You must know the saying that the tree has just been shaken. You must have heard this in connection with the personnel changes, for there is a view held by the public that nothing has happened here, they have just shaken the tree, and the same birds have settled on another tree.

[Grosz] Yes, I have heard this too. This is a mistaken view. This is not an objective evaluation of the situation. The most significant change did not occur in personnel questions, but in the modernization of the institution. And in this, the tree has not been shaken, the tree here has been cut down. There is a great difference. Instead of the three government committees which dealt with the economy, one government committee is left. We eliminated one level of decision-making. Between the premier and the ministers, there was the system of deputy premiers, whch exercised responsibility over branches commissioned by the premier, over the work of the ministers. We cut this out of the activities of the supervisory institution. Through this, the independence of the ministers has increased significantly. They are responsible personally, to the last deed, for the work which they do.

Think back, in the course of other debates, how much emphasis was placed—also in public opinion—on the question of who is responsible for the situation in which we are. How did we get here? Janos Kadar, in the name of the party, took this on himself. At the September session of the National Assembly, and on rather insecure moral grounds, I assumed responsibility in the name of the government. I say on insecure grounds because I had been premiere for 3 months, so let us say it did not sound very good coming from me. But I wanted to indicate with this that we who work in government are responsible.

So this question came up, but it was very difficult to say who exactly was responsible, for the conception and practice of this institutional system—collectivism—this mechanism of committees covers personal responsibility. This is not shaking the tree, this is a completely new tree, and it has not ended here.

[Vitray] From all this, one of the conclusions I draw—and what is more, what you have said unambiguously proves it—that the government is carrying out an independent activity with a kind of—if I may use the term—easing of the burden onto others.

[Grosz] Yes. Of course, this thinking started, not in the government but in the Politburo and in the Central Committee—the idea that the government should find more of its own profile. Well, this may be defined in many ways; somebody said that a more political government was needed. This idea was attractive to me too, but it is perfectly compatible with the intention of the political leadership. In other words, where there is real change in this respect is that the party's political weight and role in management does not change, but its system of tools changes. In other words, it does not intervene in concrete affairs, because that is the way that responsibility becomes blurred. It does not decide on questions of detail, and thus it gives the government room for maneuver and does become able to call its own government to account. So what is at issue here is that the party itself is able to call its own government to account about a particular decision, so what we are talking about here is not only that public opinion can call the government to

account, but that the government's own party can hold its government accountable for whether it carries out the tasks it must in the interests of political power.

[Vitray] How do you assess the present public mood? Various degrees of despondency, dissatisfaction, impatience and anxiety are observable in society precisely in relation to the difficult situation.

[Grosz] Well, the fact that the picture now is made up of so many colors stems from the real situation. For, after all, for nearly 15 years we have been producing less than we have been consuming and our debt has been increasing. I would like to remark immediately here that I did not mean to say here that the individual citizen has been eating more or spending on dresses; What I am saying here is that the national consumption is greater than what we produce.

Well now, this process must be changed: consumption must be cut back, including the consumption of the producer. Economic management must become thriftier and, regretfully, the consumption of the population, too, must be curtailed temporarily—something which is very difficult. It is a very difficult task because the cut in the popular consumption administered by the center is not a just mechanism, because in this respect what happens most often is that the burden fall most on those who have already been carrying the heaviest burden. Therefore, tensions, political tensions, result from this.

Well now, if I approach this from this point of view, then I deem that the most restless statum is that of the intelligentsia in general. On the one hand, there are real facts, an objective reality, that the intelligentsia is not paid appropriately, not only in terms of its output—although I fear that in terms of its output it is paid better comparatively than in other layers of society. And I would not like you to misunderstand; while the Hungarian intelligentsia is really dissatisfied with its material and moral recognition, it must be added that regretfully their output is also rather low, but in comparison, other social strata whose output also leaves something to be desired receive greater recognition. Now, this is a very peculiar contradiction; it cannot be maintained, it is an intolerable position even from the point of view of economic resurgence—it is the msot marked brake. For if this country wants to find a way out of its situation, then it must treat creative intellectual work in accordance with its value.

Our real problem is that we have nothing to sell on the world market. We donnot produce enough goods which satisfy demands which are up-to-date and of good quality, which are delivered on time, and so on and so forth. The output principle does not prevail here either, does not prevail. So I feel that it is in this direction that we have to move. Naturally, alongside the intelligentsia strata, due to their economic situation the pensioners, too, are understandably restless. Primarily due to political relations, small pensioners as well as people with high pensions are restless.

[Vitray] We are saying nowadays that real wages, the standard of living, will decrease and we have to accept this because this is the stage we have gotten to, and we have to find our way out of it. When? In what way? What are the forecasts? under what conditions?

[Grosz] Well, the first phase of this may be defined relatively precisely. Our goal is— and this is contained in the 1988 budget as well as because we have undertaken an international obligation—to halt the expansion of our hard currency debts. The first stage of this in 1988 is that we shall halve the increase—that is our debt cannot grow by more than $500 million in 1988. We think that in 1989 we can halve that—that is, to approximately 250 million, while by 1990 we may be able to reduce that to zero. In other words, by about 1991 it will be possible to stop this process of indebtedness. This is one of the biggest issues. And as a consequence it is possible to create a financial surplus, too; but this in itself is still not the goal, because the main objective is to ensure more dynamic development. This really is still the phase of retreat.

[Vitray] Even if it requires acting like oracle, it is still imporatant for the people to hear it from your mouth. If I say that we have been sliding downhill for years, then braking on this slippery surface will take 3 years, by 1990-1991, if everything goes according to the concepts, plans. Then how many years will it take until the comeback, an increase of the standard of living, real wages, can begin?

[Grosz] Well, I think a more effective braking—to stay in this analogy—may be able to shorten this down slide. Well, if we achieve this by 1990, then after that a phase could begin in which we are no longer sliding down a hill, but moving out of the trough; and in this phase, it is possible to gradually incorporate an increase in living standards.

[Vitray] Expressed in a percentage terms, what percentage of inflation in the next few years, the immediate next few years, would still be within the limits of tolerance?

[Grosz] Well, our conception is that we would remain around the 15-percent mark in 1988. If for any reason whatever—because we cannot calculate the world market, nor can we calculate the stock exchange; we have had very significant losses, haven't we, as a result of the dollar having lost its value—if nevertheless prices were to increase after all, then we would follow it up with wage increases. In other words, the difference will not be more than what we have now planned. This is our determined intention, but we would like it to remain around 15 percent. Next year we would like to return to around 10 percent—9, 10, 11 percent—and later we must aim to

remain permanently below double-digit inflation. This will be a very big achievement, an incredibly big achievement. As for there being no inflation, at all, that is an unrealistic demand in the foreseeable future. Moreover, very few countries of the world have been able to do that—I can count them on the fingers of one hand.

[Vitray] Finally, I would like also to do justice to the original intention, relating to more personal aspects. I would like you to enlighten us about a few things more. That you are a family man, that is known about you. Still, what about numbers, children, and so on. What do they do?

[Grosz] I have two sons, two daughters-in-law, four grandchildren, and my wife. That is my immediate family. My mother lives in Miskolc, my mother-in-law and my siblings also live in Miskolc.

[Vitray] What do your children do? How old are they?

[Grosz] Well, one of my sons works at the Skala enterprise; and my other son worked with Malev for a long time. He worked in London; now he is back home; he is the representative of a British business in Hungary. My oldest grandchild is 14, and my youngest is 9. That is my immediate family.

[Vitray] Well, considering that you are a young man, that is quite a fair number already. You were born in 193[illegible], weren't you?

[Grosz] Yes, and you call that being a young man?

[Vitray] Well, in that case I would have to describe myself as an old man, too.

[Grosz, chuckling] I would suggest that we face the facts.

[Vitray] They say one is as old as one feels. You, I believe, work 15-20 hours daily. You can't really feel that you are an old man.

[Grosz] Yes, but as for feeling tired, I feel tired.

[Vitray] In any case, how long, in your estimation, can this work rate be maintained? Is it necessary, is it good, is it useful to work such a tremendous number of hours?

[Grosz] Well, in the long term, no. It is even inconceivable. One could not do it in the long term, above all not intellectually, but not even physically. Well, what I do now is that I start at 0700, I am here at 0700, and I finish at 2100. That is my set working time. And then....

[Vitray, interrupting] That is 14 hours, excuse me.

[Grosz] Yes, that is my planned working time. And to that is added about 7-8 hours of reading, which is necessary for one to be able to complete the material necessary for the day's work. Now then, one cannot spend more than 3-4 hours on the work here in the office, because the rest is taken up by sessions. The international commitment is very important. And one has to talk to a lot of people connected with the work organization as well. Fortunately I can manage to do it. If I sleep 3-4 hours, soundly and calmly, with several sleeping pills, of course, because I could not sleep even 1 minute without them, then I become very quickly regenerated. I don't think one could keep to this lifestyle permanently, and neither is that necessary. But for 1-2 years I think it is quite certain.

[Vitray] What do you mean: neither is it necessary?

[Grosz] Because, well, one has to recharge oneself. It would be impossible to live like the heroes of the Westerns, just to shoot from the hip and have no time to refill the magazine. Now, when one has a working day of 16-17 hours, when one reads, for example, what one's colleagues want and not what one wants oneself; when one has virtually no time to go to the cinema, or when one watches only the political programmes on television, the "Newsreel" and "The Week," and not because the others do not interest one, but simply because physically one cannot spare the time—this cannot go on for long. Well, I certainly do not have that amount of reserves now.

[Vitray] Well then, what relief can you have in this job, so that you can recharge yourself?

[Grosz] Well, I think that my colleagues can help a great deal. The organization building work now underway, and apart from that the movement of personnel, can all bring about a better demarkation of tasks in this direction and, I hope, a more placid work schedule. Apart from that I trust in one more thing—perhaps it is self-conceit—that I will learn this work, and when I have learned it, then the quality will not have to be replaced by so much quantity. Perhaps then it will be possible for less energy to be liberated and turned to good account with greater effectiveness.

## Lazar Analyzes Development, Tasks

*AU031740 Budapest NEPSZABADSAG in Hungarian 24 Dec 87 p 3*

[Interview with Gyorgy Lazar, MSZMP deputy general secretary, by Pal Eotvos: "Interview with Gyorgy Lazar—There Is Consensus on Fundamental Issues;" date and place not given]

[Text] We have reached the end of a difficult year that has required more efforts than previous ones. Although the day of giving gifts out of love and joy is not only as peaceful and as happy exactly as our Christmas days usually are—at least for the large majority of the people—it still seems as if today we have more doubts about the future. This is true, even though we also have more hopes than in previous years because we feel like our

affairs are moving forward. In any case, in order to make this progress more tangible, self-restraint and more self-confidence and resolution than currently prevail are needed at present.

We interviewed Gyorgy Lazar, deputy general secretary of the MSZMP, on this situation that affects our fate and future so significantly, its impact on the public mood, and its political and economic tasks.

[Eotvos] How do you assess Hungary's position, our general political situation, and the social reserves of the development process initiated by the MSZMP in the middle of 1987, now, when the stabilization process is demanding a down payment from all of society, an investment that will bear profits only later? In other words, what is our present physical (economic) and spiritual (the mood, the public atmosphere) condition concerning the implementation of our large venture?

[Lazar] Your question is complex, as is the situation; therefore, it is impossible to squeeze my answer into 2-3 sentences. It seems that heated debates were almost constant in our political public life, the critical spirit strengthened, and a certain fluctuation in mood characterizes our evaluation of our present and future. I do not think that this is surprising; I think that this is natural in a period like the present, when a lot of problems waiting for solution have accumulated and when we should answer the questions posed by life by means of new, and among them unusual, solutions. It is true that many—some among them also unacceptable—kinds of opinions and points of view are expressed at debates, but most of them are guided by the intention to implement improvements according to the principles of socialism. There is a national consensus regarding fundamental issues like strengthening the socialist character of our society, the alliance to which we belong, and our commitment to peace and progress.

The domestic situation in Hungary is solid. The international evaluation of Hungary is favorable. In my evaluation, our general political situation—to use your expression—ensures a creative work atmosphere that is the primary condition necessary to implement the social and economic development program of the MSZMP Central Committee and the economic stabilization plan of the government.

We Have Taken the First Steps [subhead]

Concerning the down payment, it would be better if it were not needed. The acknowledgement of our current need to produce for a few years more than what we can consume in order to stabilize our economy and establish our future on safe bases testifies both to the political maturity of the Hungarian people, maturity that merits respect, and their sense of reality. We are only at the beginning of our overcoming the present difficulties, but we have already made the initial steps. This was concluded by the Central Committee session held at the beginning of December; the facts reported by the government at the recently concluded session of the National Assembly attest to this; and also the stipulations of the plan and budget for 1988 refer to this. Although we are not yet over the difficult part, it is a promising sign that a realization is gaining strength in increasingly wider circles—the realization that if we manage our intellectual and material resources that have been accumulating for decades in a better way, we will be able to perform more than at present. There is considerable hope, particularly after the agreement concluded at the Soviet-U.S. summit in Washington, that the international situation will become more favorable. We know what we want and we have the skills and determination to accomplish the tasks. This is why I believe that we succeed in our great enterprise: the program for social and economic development.

[Fotvos] Regarding this, that is, evaluating the situation and mood, let me mention one of our editorial experiences. A conference for the chiefs of our sister newspapers published in the socialist countries was recently held by NEPSZABADSAG. During their visit, our guests heard several, as we would say, realistic reports on the situation of the country. However, they were unable to reconcile these reports with the scenes they had seen in the streets of Budapest, not even when, in addition to the lights of downtown Budapest, they had also seen our suburbs. They were unable to reconcile these reports with the construction work being done all over Budapest, the general state of our villages, and the order in our provincial towns.

[Lazar] Speaking honestly, I am not surprised; I also have such experiences. In the course of our conversations with friends and also not only friends, it often occurs that, on the basis of what they have experienced and seen, they evaluate the situation in Hungary and our everyday life more favorably than we ourselves do. Although it is possible that our guests' politeness played a part in this favorable evaluation, I do not think that only politeness is involved here. First, because the enormous social and economic reorganization that has been implemented in Hungary in the decades of socialist construction has produced literally visible, tangible, and—we can say this without being immodest—impressive results.

Second, because it is also characteristic of our present life that, although not as quickly as previously or as we would have liked, the country is still prospering, there are job opportunities for whoever wants to work, the supply of goods is respectable, and the general state of affairs is sound. These aspects give every objective person an opportunity which can serve as an attractive example for the population of many countries in our world filled with many problems. This can probably be one explanation for the fact that many foreigners who visit Hungary—many of whom are able to compare what

they see in Hungary with their experiences elsewhere—accept the picture we paint of ourselves somewhat doubtfully, or at least consider it one-sided.

Naturally, we ourselves know our own situation best, and it is also true that our difficulties have multiplied in the recent years, so it is not surprising that we speak about them more than about our achievements. However, I believe that we should accept the fact that we are haunted by the danger of our mistaking the proportions; that is, of overestimating the difficulties and underestimating or not adequately appreciating our achievements. I think that either of them is a mistake. Seeing and showing our situation realistically, without improving or dramatizing it, is also important from the point of view of our national self-esteem, our political mood and our faith in ourselves.

Our Relations to the Reform [subhead]

[Eotvos] Renewing the economy by means of the necessary reforms is the decisive link today. But we have developed a specific relationship toward our reforms. In most of the socialist countries, the word reform is synonymous with hope and renewal; in Hungary, however, in addition to positive experiences, quite a few unfavorable associations are also being attached to it. Terms like price increases, liability, loss-making enterprises—all these have existed as long as the reform has existed, and paradoxically (or very naturally?) people remember the years of taking out the extensive loan as the age when there were no worries. How can this contradiction be bridged, because no reform can be viable without public support?

[Lazar] I agree with you. The speed of our progress and our ability to accomplish our social goals depend decisively on how, to what extent, and how long it will take us to be able to renew our economy and raise it to a level where it will be able to compete on the world market. Among the numerous conditions for this, further advancement of the reforms is indeed one of the most important. If there is anything specific in our attitude to reforms, as you phrased it, it is the fact that our public opinion already accepted many years ago the necessity for reforms as a means of adjusting to changing conditions. It is possible, or even certain, that there are people for whom—seeing the current problems— reform generates false associations. However, according to my convictions and experiences, most people understand clearly that our older and more recent economic difficulties and the reasons that caused them were not created by the reforms; at most, the reforms brought them to the surface and made them perceptible. This in itself is quite a lot; but we are talking about much more than this.

The reform started and accelerated the process that we in a narrow sense call increase in local independence, and in a broader sense, democratizing our social and economic life. The reform has contributed and is contributing to shaping both the way of thinking and an economic environment which give incentives and establish increasingly better conditions for more efficient work, thus enabling us to overcome our difficulties. The hope for renewal that leads to development can connect with the reform in this manner and in this sense. The fact that the positive attitude to reform is no longer an isolated Hungarian phenomenon shows, among other things, that we are not on the wrong road. The radical renewal of the social and economic situation and the reform as the main means of implementing this have been put on the agenda of the majority of the socialist countries, and primarily of the Soviet Union.

This is a new situation which, in my opinion, is immeasurably significant not only from the point of view of the progress by individual countries but also of the development of socialism as a universal system. This situation is important primarily because reforms no longer remain or can remain within mere national frameworks; they should, and in my opinion, will influence the entire system of cooperation within CEMA. The reforms provide a freer road and larger scope for deepening socialist economic integration and developing forms of cooperation that will secure much better opportunities than hitherto for working out, coordinating, and implementing economic development programs that correspond to national peculiarities. This is one of the reasons why from the outset, we received the processes initiated in the Soviet Union with understanding; we are supporting them and are interested in seeing them carried out successfully.

As I mentioned previously regarding the reception of and support for the reforms in Hungary, in my opinion, we have completed the stage where we had to reach general agreement. At present, we have to make people both accept and undertake the inevitability of the emergence of conflict situations accompanied by concrete solutions and changes in the accustomed conditions.

I believe that there is a lot to do in this area. One of the major lessons of the "years without worry"—which, incidentally, were not so free of worries—is precisely the fact that we were deluding ourselves when we believed that in this manner we could change things and avoid the consequences that accompany change and which occasionally cause certain inconveniences.

[Eotvos] People feel that they suffer, shall we say, a more general sense of loss that erodes their faith. They are longing for the impossible, for a country that sees to the welfare of its citizens; it is difficult for them to accept that economic necessity is an indispensable driving force of the economy; they are looking for "justice" when they evaluate the economy and the market; and they find it difficult to accept the "injustice" of being held responsible for the end results.

[Lazar] The dispersion of false illusions always has a disillusioning our at least a sobering effect. Such an illusion was our belief that the state has a special capacity

that enables it to freely distribute resources almost without accounting for them, and without consequences even when it has nothing more to distribute; to "see to the welfare" of enterprises and economic organizations that consume rather than increase the national income; and when making economic decisions, it can afford to disregard the rigid laws governing goods and finances. At the expense of bitter experiences, we reached the point where these illusions had to be eliminated and we could no longer proceed along this road. I think it promising that the sober admission—that the market "does not distribute justice", its role is only to measure value, and it recompenses only for real performance—is gaining broader scope. If we want to achieve more and live better, we should acknowledge this "injustice."

[Eotvos] We often say that we would like to reconcile rational economic thinking and socialist humanity. However, the complex content of this endeavor is not always clear. I would like to ask you to discuss this subject. How do you interpret the topic, paying special attention to the fact that it is our opponents and competitors and not we who currently dictate the speed of asserting rational economic thinking.

[Lazar] Indeed, so far we have not successfully made the connection, to the possible and desirable extent, between the humanistic characteristics of the socialist system and the assertion of rational economic thinking; this contradiction, which presumably exists not only in the Hungarian practice, has been acknowledged by increasingly wider circles since the 13th MSZMP Congress, but in particular following the November 1986, and even more so the July 1987 session of the MSZMP Central Committee. It is possible that a considerable part of our difficulties result precisely from this. The essence of humanity as a requirement—in the sense that we use the term here—lies, in my opinion, in the fact that we cannot give up the achievements of our system such as ensuring the right to work, preserving social security, and providing public care for the needy, even in order to increasingly assert the principle of rational economic thinking. In my opinion, a contradiction that cannot be bridged between humanity and rational thinking need not necessarily develop. On the contrary: The more consistently economic rational thinking is avoided—and I agree with you that this is an increasingly pressing constraint—the greater are the necessity and the possibility of our finding the humane solutions that would contribute to solving the problems that concern the particular collective bodies or individuals.

I think another aspect of the topic is that we should separate more than we do at present the wages paid in return for performance and payments that are justified by unfavorable social conditions. Experience shows that one of the shortcomings of our wage practice—but one that can be described as quite common—is precisely that it frequently confuses these two matters. We should change this situation in any case by strictly establishing wages on the principle of performance and social payments on the extent of the need.

Critical Tone and a Sense of Responsibility [Subhead]

[Eotvos] In connection with the replacement of membership cards, talks aimed at exploring opinions are being held with large numbers of MSZMP members. What are the experiences of these talks so far?

[Lazar] In party life, the act of replacing the membership cards is a political event of great significance, not simply an administrative act its significance lies in the fact that, during the preparatory work, the party leaderships are holding separate individual talks with every party member and so there is a possibility of and an opportunity for the party to get acquainted with the opinions of its members and also for the members to consider whether they are prepared to accept the commitment that goes with being a party member. When the position of the Central Committee on replacing the party membership cards became known, people in some places raised the question of whether it would not have been more opportune to postpone the talks unit a period with less difficulties and a more trust, or if you wish, a more optimistic public mood. I do not think that it is necessary to justify separately the reason why the party leadership should have precisely now as complete a picture as possible of the opinions of the party members regarding our common matters and whether there is readiness and willingness to accept participation in overcoming the difficulties and implementing the tasks.

Talks with nearly two thirds of the party members have been held so far. The talks are permeated by a sincere and critical tone and by a strong sense of responsibility. Practically every important issue that is related to the life of the party, the country, and society is mentioned; and perhaps it will not be surprising if I say that the issues that are brought to the fore during these talks are the same as those that also hold the attention of broad public opinion. Most of the party members identify with the development program of the government and the Central Committee and express their readiness for action; at the same time, they demand increased determination in implementation, stricter responsibility of the public morale, and more consistent assertion of the leaders' responsibility in the implementation of this program.

[Eotvos] Reformulating the party's leading role is one of the most significant issues in reforming the system of political institutions. Would you outline for our readers the main findings that have emerged so far and how the leading role is to be interpreted in the context of implementing our great national venture, the development program?

[Lazar] We are living in such times and facing the solution of such tasks that the way in which the party—in its role as the leading force of society—carries out its

functions is of key importance. The goal set by the resolution of the 13th MSZMP Congress, a goal aimed at examining the assertion of the party's leading role in society, meets the demand that prevails in wide circles that the party should guide the development and implementation of the reforms necessary for a more efficient implementation of socialist construction and also the further process of democratization which will contribute to the development of the people's creative potentials.

Because of the great importance of this issue, the Central Committee appointed a committee from its own ranks to carry out the analytical work and prepare the proposals, a committee that after 2 years of preparatory work has formulated the theses that will be submitted to debate and which constitute the bases for further work. The theses start from the premise that the party itself, as the leading force in society—that accomplishes its mission within the framework of the Constitution and by observing the law—should also renew its work methods and adjust them to the requirements of the present in order to be able to fulfill its guiding role more efficiently. I am convinced that the party's self-examination, its modernizing its work style and methods, its attempts to achieve a better division of labor with state, public, and representative organs, and the greater publicity of the process of preparing the decisions will constitute an important contribution to efficiently implementing the social and economic development program.

## 'Radio Cabaret' Assesses Events of 1987

*LD031759 Budapest Domestic Service in Hungarian 2000 GMT 31 Dec 87*

[Program entitled: "Closed for Stocktaking—the New Year's Eve program of Radio Cabaret," presented by Istvan Verebes and edited by Tivadar Farkashazy, Miklos Kaposi, and Peter Sinko]

[Excerpts] [Verebes] Esteemed audience, listeners, what can I tell you at the end of this particular year that will still surprise you? So what should we talk about? Well, another year has passed, 1987, and the fact that it has passed is the only positive thing to say about it. What is more, though the year has passed, nothing else has, and we are into the new year now. The following story illustrates how the new year starts.

A friend of mine visited New York and went to a bar one evening. He told the barman: Till it starts, give me a double whisky. He got it, drank it and 10 minutes later said again: I do not mind, another double whisky till it starts. Another 10 minutes later: Well, as it has not started yet, give me a another double. The barman gave him the whisky and asked: Dear stranger, can you pay for these drinks? my friend said sadly: You see, I knew it would start.

Well, our people's economy is in exactly the same situation at the moment. [passage omitted]

At last year's new year's eve I had a chat with Medgyessy, who was then a deputy finance minister. By October he was a minister and he is now a deputy premier. If the laws of logic manifest themselves, I do not know what Comrade Grosz will be doing by next summer. [passage omitted]

The MSZMP has begun its ideological renewal and I have begun my ideological renewal. The only difference is that unlike the MSZMP, I renew myself before the trouble comes. [passage omitted]

The time has come for stocktaking. But we ought to also look at the management of our stock of leaders. Perhaps not only the stock of machinery but our stock of cadres has also become outdated. Of course it might be asked: Why precisely should you do this evaluation, and why now? But as Gorbachev said, if not us, who, and if not now, when?

Just look back: When Gorbachev came to power, he creamed off the whole apparat. Apart from Gromyko, I did not see an old face in the Presidium of the November festive session—except the foreign delegates, of course. But let me cite another example: In the spring Marshal Sokolov, the former air defense chief, visited Hungary. By the time he got home, he was just about Sokolov still, but was no longer a marshal. This was at the time when the young man from West Germany inaugurated the third Moscow Airport in Red Square. Now, of course, they have cemented over the manholes there—they are worried about frogmen. [passage omitted]

While we are stocktaking, we should count up our one-time goals; not to see whether they have been realized—of course not—just to see whether they are still there. At one time we spoke proudly about the principle of full employment. But practise produced the lie in this as well. In the revolutionary days we said that the proletariat had nothing to lose but their chains. Now we know that these days they can lose their jobs as well. [passage omitted]

You say that I am piling on the problems and worries? No, I am just stocktaking. I am reevaluating the promises, or their remnants. I am trying to list—no, not those responsible, just the factors that have got us here. It is only this that can give any guarantee regarding the future, that the same shortcomings, the same legally protected incompetence, cannot be repeated by the same people or others in the same posts. We have to take stock: What it is that we have too much of and what it is that we have little of. And of what we have only one. Because we now have to check even that of which we have only one. [passage omitted]

Some brief news items, read by Karoly Let:

New years have been discovered in the Soviet Union. It is not true—as historians up to now believed—that 1931 was followed by 1937.

U.S. researchers have discovered that the Great October Socialist Revolution is celebrated in November, because TASS reported the event only with some delay. [passage omitted]

Now we will go over to the troops at Markosnadas.

[Unidentified speaker] The other day, we were in a big, joint, friendly, neighboring country, on their big, joint, neighboring, friendly military exercise. There was a lad there from a big, neighboring, friendly country, who wasn't Hungarian—he spoke Russian. He told us this story which happened to them a year ago.

They were on an exercise, flying a plane at a height of 6,000 metres. Suddenly, one of the pilots noticed that there was a little old lady outside, with a big shawl on, knocking at one of the little windows on the right. There was a broomstick between her feet.

The pilot didn't know what to do, so he knocked back to her on the window and said: Excuse me, but are you a witch?

No, no dearie, I was a cleaner at Chernobyl, she replied. [passage omitted]

And next, Janos Beri:

[Beri] Well, we are going to discuss delicate issues, so I have asked for help from well-known social scientists. Please be serious, because we shall talk about ideology. It is very important nowadays how we assume ideology for this or that. Let us assume, for example, that Belgium offers a bank loan to Hungary. The Belgian National Bank has just one slight condition, namely that within a certain period of time, let us say 1 week, Hungary has to introduce the institution of a monarchy. They do not want to intervene in our internal affairs, nor would we let them, so they do not determine whether it should be a centralized monarchy or a constitutional monarchy; we can have any sort of monarchy we want. Let us have a serious ideological justification. Here is (Maria Pestik), an economist:

[Pestik] I very firmly believe that we must take this step. It will give rise to several advantages. For example, in this case we shall know what regime we live under. We became rather uncertain about this in the wake of the ideological Central Committee session. Then we shall also know who the king is; Nor is it a matter of little consequence that we would also know who is next in line for the throne.

[Beri] Now this is a different matter. We know the country is at a demographic nadir. Let us say that Parliament legislates that from now on council chairmen have the right to the first night. Laszlo Kery, political scientist:

[Kery] I regard this as a very timely idea. During the past 6 months all I've heard about is that the financing of the councils will change from next year. The withdrawal of central subsidies should be compensated for somehow. But there are also problems. If this becomes the right of the council chairmen, is it also their duty? What happens when the bride is ugly? Can she demand it as a social policy entitlement? [passage omitted]

[Verebes] And now, Tibor Koltai, as comrade authoritative. [passage omitted]

[Koltai] Well, comrades, I must leave this. I have done my best up to now; I helped, we were together; hand in hand we went ahead; we are at the summit; now let others take over; I stop now. Let the new old ones come, or whoever; I've had enough.

[Verebes] You are not serious, Comrade Koltai?

[Koltai] I am most serious.

[Verebes] Forgive me, I get the impression from what you have said that you are perhaps thinking of giving up your position, retiring or taking on another state task?

[Koltai] I do not know what I want. I would like something. I am not my own master altogether any more. Sometimes I am told things which are not what I want to say. Or in reverse. I am still full of energy, only there is no direction for this energy, no meaning to it any more. This energy could be well utilized.

[Verebes] Where, for example?

[Koltai] A power station, for example; or at airport receptions. I could wave there. I can kiss very nicely. At any rate, comrades, I can tell you one thing: I shall not leave you orphans. I have ensured a replacement. Over many years I have trained the expert whom you can trust, who will carry the cause forward.

[Verebes] If it is not a secret, who will follow you?

[Koltai] Who comes after me? Comrade Flood.

## Budapest Reports Deputy Ministers Replacement

*LD042257 Budapest Domestic Service in Hungarian 2100 GMT 4 Jan 88*

[Text] New deputy ministers have been appointed. Istvan Kollarik has become deputy minister of finance after his predecessor, Gyula Csaki, was relieved from his post owing to another important assignment. Gusztav Reisz and Jeno Reichnagel, have been appointed deputy ministers of agricultural and food. Istvan Doboczki was relieved while recognizing his merit and Gabor Magyar, was also relieved owing to his retirement and with recognition of his merit as deputy ministers of agriculture and food.

## Communique on Higher Consumer Prices

*AU021730 Budapest NEPSZABADSAG in Hungarian 28 Dec 87 p 1,3*

[MTI: "Communique of the Council of Ministers—On the Development of Consumer Prices in 1988, Central Price Measures Related to the Tax Reform, and Increase in Social Policy Payments"]

[Text] In accordance with the government program adopted at the 16-19 September National Assembly session, economic management in 1988 will bring to the fore an improvement in the balance of the people's economy, the acceleration of modernizing the economic structure, and increasing the efficiency of the economy. According to this, the government has worked out an economic plan in which the budgetary deficit will considerably decrease, and the subsidies and allowances to production and consumption that have been given so far will also decrease. The government will make determined efforts, by means of coordinating the price, wages, and financial policy, to keep the development of the purchasing power and the stock of goods within the limits stipulated by the plan. The potential of the economy to develop is limited, while the requirement to improve the balance is so significant that reducing the real income and, by this, the consumption of the population, is unavoidable in the short term. The burdens of these measures will be borne primarily by the active earners.

In order to implement these general goals, the government will implement a strict financial policy, a system of incentives aimed at promoting efficient production and technological progress, and, because of public interests, a system of allowances that will offer relative protection to families with children, aged people, and people in severely disadvantageous situations.

I.

As a result of the measures that will become effective on 1 January 1988, consumer prices in 1988 will increase by 7.6 percent. The price changes in January will result from the already announced new general turnover tax measures and the reduction in the allowances that were adopted by the National Assembly.

Food prices will increase by 10.7 percent on the average—within this, various types of meat will also increase by 10.7 percent and dairy products by 27.0 percent. The prices of adult clothing products (including house textiles, haberdashery, and fashion goods) will decrease by an average of 11 percent. The prices of children's clothing will increase by 33 percent; within this, baby clothes will increase by more than 33 percent. Among the industrial products, for instance, the prices of ferrous technical articles will increase by 6.5 percent, and of household chemical articles by 8.5 percent. The prices of furniture will increase by approximately 5 percent; within this, children's furniture will increase by considerably more than this.

The effect on 1988 of the price increases already implemented in 1987 will constitute 4.7 percent, and it is already reflected in the expenses of the population. The price increases that can be expected after 1 January and during 1988 will increase the prices by an additional 2.7 percent. Thus, the consumer prices in all of 1988 will increase 15 percent.

The price changes will have a different effect on the expenses of the individual families, depending on the number of family members, the income situation, and the structure of the purchases. Per capita extra expenditures on basic consumer goods will vary between 350-550 forints.

We can count on price increases during the year in the area of products with prices that are not controlled, where the proportion of imports is considerable, where the expenses of production and marketing increase, and where the development of the supply and demand situation makes a price increase inevitable. The price authorities will strictly control compliance with price measures throughout the year.

In accordance with the present practice, enterprises implementing price increases in the course of the year must inform the population of them; in the case of changes in the price of more important articles, government organs must inform the population. Systematic and detailed information on the development of consumer prices should be published.

On 30 December, the central press will publish a detailed report on the price changes that will become effective on 1 January.

II.

The government is paying particular attention to the protection of social security. In accordance with this, it is increasing the financial social allowances by 22 percent, which considerably exceeds the increase in the incomes. The measures affect every pensioner and every family with children, and they compensate for the majority of the extra expenses resulting from the increase in basic goods prices. The increase of individual allowances will be differentiated.

The measures ensure that the purchasing power of the pension allowances of the most needy retired people will be preserved. The pension of people above 70 and the severely crippled, which amount to nearly 1 million people, will increase by 15 percent, but at least of 330 forints. It is possible to increase the pensions of the other pensioners by a more modest sum. In addition to the accustomed 2 percent annual increase (minimum 120

forints), the other pensioners will get a pension supplement of 210 forints. Thus, every pensioner will receive a pension supplement of at least 330 forints. The social aid fund of the local councils will be increased by 500 million forints at the expense of the budget.

The government will considerably increase the financial allowance of another socially important sector of our society, the families that provide for dependents. In accordance with the structure of the price increases, people who raise Young Children and people who have large families will receive higher than average allowances and benefits. The family allowance will increase by 400 forints per child, and income supplements for children will also increase by 400 forints. Until a child is 3 years old the family allowance will be increased by 500 forints. The family allowance for chronically ill children or children who have been sent to foster parents will be increased by 500 forints per child. All these measures will reduce the financial burdens on the families.

In addition to increasing social security and other social financial payments, the strata that are socially most needy will receive other benefits as well. It will be possible to receive child-care allowance for seriously ill children until the child reaches the age of 10 instead of the previous age limit of 6. A disability supplement will be secured for adult persons who are chronically ill and unable to work. Workers can receive unpaid leave in order to build a family house or provide home care for a sick relative. Travel benefits for pensioners will also be extended.

The payments due in January 1988 will automatically be paid at the already increased level.

### Trade Official on Private Commerce Law Change

*LD041324 Budapest Domestic Service in Hungarian1730 GMT 30 Dec 87*

[Excerpts] The Presidential Council has modified the law on private commerce. Dr. Tamas Sagrin, department head at the Trade Ministry, outlines the details to Gabriella Szilagyi. [passage omitted]

[Begin recording] [Sagrin] The conditions for joint undertakings will be made more favorable in private commerce. At present, at most four people can jointly undertake to bring about a private commercial venture. Some areas, however, require significant capital. For example, to build a small hotel, usually even four persons' money is not sufficient. Thus, the same number of people can engage in a joint undertaking as the number of people employed by the private trader. So to create a small hotel, as many as 20 people can participate.

[Szilagyi] This is all the more important because a small hotel can accomodate 60 people now, in contrast to 30 before now.

[Sagrin] We are trying to motivate private energy in the interests of tourism. In contractual operations, the personnel limits will also change to 15, 20 people, and up to 30 in some areas of catering. The conditions for joint undertakings change in the same way as in private trading. This is a very significant change, manifesting the economic policy endeavor to try and give increased security to private undertakings, initiatives. [passage omitted] [end recording]

### Gyula Horn on 1987 Disarmament Talks, Economy

*LD032127 Budapest MTI in English 1859 GMT 3 Jan 88*

[Text] Budapest, January 3 (MTI)—Gyula Horn, state secretary of the Foreign Ministry, discussed the most important world political events of the past year, and the prospects of international life for 1988, in an interivew given to the timely political weekly magazine of Hungarian Television, A HET (The Week, broadcast Sunday evening.

In answer to a question on what the most important result of 1987 was for Europe, Gyula Horn noted:

"First and foremost I consider the result of the Soviet-American summit mainly in the fact that, with the agreement on the elimination of missiles, it has put an end to a source of tension that has existed for some 8 to 10 years, and which caused serious problems in the European political relations in the course of the past years. On the basis of this agreement, a process can also be launched which can help press back the military factors. Also significant is the fact that this successfully proved, for the first time, that military balance of power is possible on a lower level, which is what is taking place now. All these developments are particularaly important for Europe."

With respect fo the related tasks in 1988, Gyula Horn stressed:

"For us, it is of fundamental importance that we make use of the new opportunities, also in the military field. In concrete terms, what our most important task now is to achieve progress in the field of reducing conventional armaments. Unfortunately, one can more and more frequently hear views according to which the elimination of the missiles has created a kind of void, and that this has to be filled by subsequent armament with conventional arms. On the other hand, these have always formed very significant sources of the economic and political tensions. This is why all the negotiations currently in progress in Vienna are also important. What we would like to achieve is that an agreement be reached in 1988 on the summoning of a European disarmament conference, which would genuinely deal with the considerable reduction of conventional arms, for the first time in the history of the continent."

"In this field, there are no ideological-political limits to compromises. Only the interests of reciprocal security set a limit. In this respect, 1987 set many precedents for advance in the field of conventional arms, that we be able to genuinely reduce those", added Gyula Horn. Discussing the second major sphere of issues of the Vienna talks, the further development of international economic cooperation, he noted:

"We have to start from the fact that world economy is not uniform, it is, however, universal. This means that the economic policy and economic mechanism of the individual countries show considerable differences. On the other hand, there is no single state which could evade the effects of world economy. And it follows from this that these differences have to be reduced to the minimal, or to the least possible, and this can only be achieved through rapproachment. I consider as rapproachment of this kind what was begun in 1987 and what will, hopefully, intensify in 1988, that is what has taken place between the Common Market and the CMEA, or, for example, what has taken place with the international financial organizations, or with GATT. Which does not only mean that a new system of relations could be established, but also that the mechanisms of the indivudla national economies would near each other. From this aspect, it is extremely important to establish an economic and scientific all-European cooperation system which could launch a new wave of development in the forces of production, for all of us."

With respect to the third theme of the Vienna talks Gyula Horn stressed, among others: "A certain change in the positive direction has also taken place with respect to human rights. The main point of this can be formulated in that the practice of the individual countries—naturally, not of all countries—carried out in national frameworks is increasingly approaching the international expectations and norms. This is fundamentally accompanied by two consequences. The first is that it strengthens confidence, and cooperation between the various states, and this is very important from military, economic and other aspects. Secondly, that this is a very important part of the internal democratizational processes", said Gyula Horn.

### Trade Commission Session With U.S. Anticipated

*LD042247 Warsaw PAP in English*
*2153 GMT 4 Jan 88*

[Text] Warsaw, Jan. 4—Minister of External Economic Relations Wladyslaw Gwiazda received today U.S. charge d'affaires here John R. Davis Jr. The two discussed the basic assumptions for the session of the Polish-American commission for trade to be held after a seven-year break in Washington on the coming February 10-11.

John R. Davis conveyed to Minister Gwiazda an official invitation from U.S. Secretary of Commerce William Verity to attend the 10th session of the commission.

The Washington meeting is expected to discuss all the issues connected with the current course and further development of the mutual trade exchange and economic cooperation in all fields. An important element will be the question of normalizing the financial and credit relations that are of crucial significance for cooperation in industry and agriculture.

Meanwhile, the two ministers will try to map out the ways and methods of broadening the Polish-American economic cooperation.

### USSR Scientists Delegation To Attend Session

*LD042253 Warsaw PAP in English*
*2158 GMT 4 Jan 88*

[Text] Warsaw, Jan. 4—A delegation of the Academy of Sciences of the USSR with its President Guriy Marchuk and presidents of academies of sciences from Soviet republics arrived here today to attend a session timed to mark the 30th anniversary of the agreement on cooperation between the academies of sciences of the two countries.

Polish and Soviet scientists plan to discuss the hitherto cooperation and formulate suggestions and proposals to improve and deepen their relations.

Currently, agencies of the Polish Academy of Sciences can cooperate with more than 200 institutes of the Soviet academy and two Polish-Soviet commissions for cooperation carry out joint activity in social, natural and technical sciences.

The two academies are ever more frequently signing direct agreements and contracts, with a group of Polish scientists having started of late to work in a Moscow scientific institute under one of the employment contracts.

### Polish Emigration in FRG Cited, Appeal Made

*LD041749 Vatican City International Service in German 1500 GMT 4 Jan 88*

[Excerpt] In 1987, over 400,000 Poles visited the Federal Republic of Germany, and 49,000 of them requested political asylum. This was reported by the president of the German Red Cross, Botho zu Sayn-Wittgenstein, in an interview with the OSNABRUECKER ZEITUNG. Sayn-Wittgenstein appealed to the Bonn government to continue the dialogue with Warsaw to make possible the emigration of relatives left behind in Poland. [passage omitted]

### Orzechowski Interviewed on Foreign Policy

*AU041551 Warsaw ZYCIE WARSZAWY in Polish*
*31 Dec 87-3 Jan 88 pp 3, 4, 5*

[Interview with Marian Orzechowski, PZPR Politburo member and foreign minister, by Ryszard Bankowicz and Zbigniew Ramotowski: "The World Is More Confident About the Future"—31 December, place not given]

[Text] [Reporters] Minister, since this interview is taking place in the last hours of 1987 it is not amiss to begin it by summing up 1987. Are you satisfied with 1987 as foreign minister?

[Orzechowski] We can be satisfied, because for many reasons 1987 was a good year for Poland's interests in the world. Attempts to isolate Poland internationally have finally been halted in the past 12 months as significantly attested to by the pope's third pilgrimage and Vice President Bush's visit to our country. Other such events include the Polish visits by Japanese Prime Minister Nakasone and Austrian Chancellor Vranitzky, the Polish summit visit to Rome and the Vatican, the coming visit by Prime Minister Mrs Margaret Thatcher, and the visits to Poland by many foreign ministers from the West. We should also remember the elections of Poland's representatives to the authorities of many international organizations and the international community's interest in and praise for our initiatives in favor of peace, security, and cooperation, especially in Europe.

Briefly, Poland's isolation is a thing of the past, although a genuine credit-fiscal blockade is still continuing.

[Reporters] What are the reasons for the West's change toward our country, at least in the political arena?

[Orzechowski] The basic reasons for Poland's active role in the international arena include the elimination of its sociopolitical crisis of the early eighties, the stabilization of the internal situation, the economic reform, and the consistent policy of national accord. Soviet economic and fiscal assistance and our cooperation with all Warsaw Pact states have been the other important factors. The experience of the past few years clearly shows that

Poland's place among the socialist countries is to a great extent responsible for its attractiveness as a partner in the dialogue with the Western countries.

[Reporters] What about external factors of more general significance?

[Orzechowski] I certainly appreciate the significance of the general trends in the international situation, especially in East-West relations, but I place the main stress on the good order in our own backyard and on the fact that we have reliable friends and allies. In 1987 and in the preceding years these factors provided many lessons for those who wanted to isolate us. Those people have learned that attempts to isolate a country possessing such a potential of civilization, defense, and manpower as we possess, and placed in the heart of Europe as we are placed, were, are, and will be doomed to failure.

[Reporters] You have made many interesting official visits this year. Which was the most interesting for you?

[Orzechowski] I could reply diplomatically that almost every visit was interesting, and this is true to some extent, but the Polish foreign minister does not indulge in "diplomatic tourism," especially nowadays. He travels to attend to specific state business. So if we take tangible results and not personal impressions of such travels into consideration, two visits seem especially important to me....

[Reporters] Your visit to the PRC must be one of them....

[Orzechowski] You are right. The PRC is a very important potential partner for us, and we attach great importance to relations with the PRC. We are pleased that these relations have undergone progress, actually a breakthrough in the past few years. This breakthrough was initiated by W. Jaruzelski's visit to the PRC in 1986 and Zhao Ziyang's visit to our country this year. Polish-Chinese relations are now comprehensive and stable and their development prospects extend to the 21st century. My recent visit to the PRC, the first such visit by the Polish foreign minister, has confirmed and consolidated just these qualities of our relations.

To the accompaniment of lively mutual interest, Poland and China have continued to realize profound economic and political changes over the past few years, and this is why mutual exchanges of experience are so important. China is greatly interested in such exchanges. In Shanghai, Canton, and Hainan I was able to study various aspects of the Chinese economic reform and its practical solutions and mechanisms. I have in mind especially the main economic zones and the economic and technological development zones, and their role in the PRC's economic strategy. This was a most interesting experience. We should subject it to deeper studies and ponder on how to creatively exploit it in our country....

However, the main purpose of my visit to China was to evaluate and review the realization of the decisions made by the two leaders of our countries. The PRC foreign minister and I agreed that these decisions continue to be reliably implemented. We assessed our mutual relations highly and considered the prospects of their development. We noted that this development should be promoted in line with new forms, methods, and instruments of trade and cooperation, which are able to meet the high standards of effectiveness and productivity. This applies especially to economic-trade cooperation (worth now about $1 billion) and to scientific-technological cooperation.

We agreed that in order to do this we must abandon the simple forms of cooperation in favor of more intensive forms, including joint companies, industrial cooperation, joint scientific research, and the joint practical application of the results of such research. The economic reforms and the decentralization of production in our two countries continue to create new opportunities, while creating new challenges, and meeting these calls not only for political resolution, but also for new thinking, for the dropping of old schemes, and for above-average initiative and an enterprising spirit.

[Reporters] You have said that two visits made the greatest impression on you. Which was the other visit?

[Orzechowski] My December visit to London. Traditions of common ties and cooperation links us with Great Britain. During World War II some 250,000 Poles fought in the armed forces in the West for the freedom of Poland and of Great Britain, and many of them were killed in combat. Many returned to Poland and many settled in hospitable Britain.

We evaluate the course and results of my British visit (the first by a foreign minister since 1981) as very successful. The visit has expanded existing opportunities for cooperation and has created new ones. The Polish-British dialogue will attain a higher level. As I have already said, Prime Minister Mrs Margaret Thatcher will visit Poland in 1988, which will be the first such visit in the history of our mutual relations. Mrs Thatcher is universally recognized as one of the most outstanding political personalities in the world today.

We expect that economic relations will develop gradually and we signed an accord on mutually supporting and protecting our investments, which creates new opportunities for British firms to commit themselves to economic relations with Poland on the principle of advantageous mutual business. We hope that the favorable political atmosphere will help us to make real qualitative progress in economic and fiscal cooperation with Great Britain, which is our second largest Western trade partner. Cultural and scientific exchanges also face favorable prospects, especially since the Polish Cultural Institute in London and the British Institute in Warsaw will celebrate their 50th anniversaries in 1988.

[Reporters] In 1987 Poland made great progress in developing its relations with countries other than Great Britain—with the United States, Italy, and Japan, as attested to by the visits to Poland by Vice President Bush and Prime Minister Nakasone and by W. Jaruzelski's visits to Italy and the Vatican. Foreign Minister Genscher is expected to pay an official visit to Poland on 10-13 January. Will Polish-FRG relations be sufficiently promoted as a result of this visit?

[Orzechowski] It is our sincere wish that Hans-Dieter Genscher's visit will be successful and will serve as an inspiration for Polish-FRG relations. I trust that the FRG is politically willing and sufficiently determined to propel forward its relations with Poland and to make qualitative progress, if not a breakthrough, with regard to these relations. We hope that Minister Genscher will come to Poland with constructive proposals.

Of course, there are areas in which our two states have had and continue to have contradictory interests or divergent viewpoints, which result from their positions in the two opposing military alliances and economic communities, from the tragic burdens of Polish-German relations, and from other factors. There are many things and issues in the FRG which disturb us and make us worried. They are results, although not exclusive results, of the so-called German legal positions and of the preserved fiction of "the German Reich existing in its 1937 borders."

As you see, there are still some sore areas in Polish-FRG relations. They can be eliminated by joint efforts in line with our mutual interests and aspirations, and in line with healthy compromises.

We do not want to look only behind us. The FRG is our important political and economic partner. We have and may have many links, which offer opportunities for mutual cooperation, especially insofar as the present, the future, peace, security, and cooperation in Europe are concerned. Poland's and the FRG's geostrategic situations, potentials, including the military ones, and place and role in their alliances are responsible for the fact that qualitative progress in their mutual relations will be of crucial importance for consolidating and intensifying detente, security, and cooperation in Europe. Europe needs this, especially now when comprehensive disarmament is the order of the day, following the Gorbachev-Reagan summit.

Poland is ready to cooperate with the FRG in this regard and to assume joint initiatives and agreed measures. We are aware of our place in our alliance and of our role in Europe when settling all issues of importance for it. Polish-FRG relations have always been not only a function of the political climate in Europe, but have also helped to create this climate. This is so today, too.

The FRG has interests in Poland, interests connected with Poland, and we have no intention of ignoring them. Both countries are interested in extensive economic, cultural, and scientific cooperation, and in extensive social and people-to-people contacts.

We hope that Bonn will be constructive about Poland's initiatives on cooperation in Europe.

We hope Minister Genscher's visit will help materialize the extensive and varied opportunities that can promote qualitative progress in Polish-FRG relations.

[Reporters] What about Poland's image in the world? What connotations does the word "Poland" suggest to other nations?

[Orzechowski] The past and, primarily, the present determine other nations' ideas about Poland and Poles. These ideas are most varied, inconsistent, and subject to constant changes. Our immediate neighbors see us in one way and the nations farther removed see us in another way. The peoples of the socialist community know us in a different way than Western societies do.

[Reporters] Which areas of our life exert the greatest influence on those ideas?

[Orzechowski] All areas, to different degrees. For example, our cultural achievements, which make Poland a European "power," are greatly influential. Names like Chopin, Copernicus, Paderewski, Mickiewicz, Curie-Sklodowska, Kosciuszko, Pulaski, Lutoslawski, Szymanowski, Sniadecki, Banach, Sierpinski, Sienkiewicz, Gombrowicz, Witkiewicz, Milosz, Penderecki, and Wajda are rather well known abroad. Everyone, and not only the Catholics, knows who Pope John Paul II is.

But our economy still plays an insufficient role in making Poland known in the world. The high quality of goods sold abroad have always been and are the visiting card of every country, but we do not always keep this in mind.

[Reporters] What is the influence of our foreign service on Poland's image in the world? Is the importance of a country's economic achievements greater that the opportunities at the disposal of the diplomats?

[Orzechowski] What counts most in this era of scientific-technological revolution is a given country's economic potential, role in the scientific and technological race, and innovative, organizational, and production effectiveness. What counts is the attitude toward work, the quality of production, and the competitiveness of products. The weak and the ineffective in this competition do not count and lose the respect of those who are better and more efficient.

Today the economy, politics, and diplomacy are mutually dependent and constitute an integrated entity. The role of diplomacy in economic relations is to reveal and create opportunities for economic cooperation and contacts with foreign countries, to stimulate their development, and to create the best political conditions for intensifying economic links. We also try to influence domestic partners in economic cooperation in order to stimulate their militancy, initiative, reliability, and integrity in trading and partnership. In its non-economic contacts, diplomacy tries primarily to ensure that the country and regions are able to develop peacefully. In a word, it tries to strengthen peace in the world. As you know, in this regard Poland's role has been and is considerable, as attested to by the Rapacki and Jaruzelski plans.

[Reporters] The West is enthusiastic about the "Gorbachev phenomenon." The "new thinking" he represents in international relations has extended beyond the Washington summit. Does the fact that the spotlight is on Moscow divert one's attention from other socialist capitals, including Warsaw?

[Orzechowski] The world's fascination with Soviet changes and with M. Gorbachev's "new thinking" in international relations must never be regarded as some kind of unfair competition for us or for other socialist countries. The USSR is a world power and bears the enormous burden of joint responsibility for the world's fate. To be the first, genuine, and reliable ally of such a power also involves enormous responsibility and the duty of militancy. The fact that the political-social processes in our countries take place side by side is a source of our obvious satisfaction. The goals of these processes are identical. The ideals and goals formulated by the USSR in international policy are consistent with our vital interests and have our full support.

[Reporters] So what role can countries with Poland's size, potential, and significance play in world politics?

[Orzechowski] I am often asked this question. There is a host of factors involved here, but the chief one is the democratization of international relations. These relations are encouraged by the development of international organizations within the UN system and the development of international law. They are also encouraged by the emergence of urgent problems that can only be solved by the whole of international society or by all the states in a given region. This does not just apply to security, but also and to an increasing extent to environmental protection; the combating of social pathology; and the utilization of the seabed, polar regions, space, and so on.

I also frequently encounter the view that when there is tension in international relations and a danger of military confrontation, the bipolar nature of East-West relations becomes stronger, adding an ideological tone to these relations and applying greater pressure on small and medium-sized states. It is said that in such conditions, the influence of these states on the international situation is small.

This view is not entirely unjustified. However, it should be remembered that small and medium-sized states have sometimes sparked off changes to the international climate. An example of this is Poland in the middle of the 1950's, with its disarmament and detente initiatives.

To this I may add that the role of small and medium-sized states increases during periods of detente. New possibilities of initiatives from small and medium-sized states are appearing in the wake of the expanding platforms of dialogue between the USSR and the United States. A climate that is propitious to their energetic activity is being formed. Frequently, too, these countries are the authors of interesting and constructive proposals.

The Polish position is unequivocal: Small and medium-sized states cannot be passive observers of international events, for they are jointly responsible for the fortunes of the world. Convincing others about the real possibilities of these states is an important part of Polish political philosophy and a stimulus for our international commitment. The Jaruzelski Plan was born out of this philosophy, as well as the Rapacki and Gomulka Plans.

[Reporters] The end of 1987 augurs closer relations between CEMA and the EEC and between Poland and the EEC. It is the Polish ambassador in Brussels who presented an initiative from the socialist states designed to provide a new stimulus to talks between both European economic blocs, and the world identifies this initiative with a readiness by Warsaw to boost this process. Do you think there is any chance of this in the coming year?

[Orzechowski] Right now the development of CEMA-EEC relations is one of the most important ways, if not the most important way, of enhancing the international division of labor on a European scale and improving cooperation in the spheres of technology and the environment. It also possesses major political significance because it may serve to increase confidence and stability in European relations. Concerning the dialogue between Poland and the EEC, the basic question for us is to expand trade. We are ready to commence official talks with the EEC. This topic has already been discussed at working meetings. We think these meetings form a sufficient basis for commencing a qualitatively new form of dialogue.

Next year should see fundamental progress in normalizing CEMA-EEC and Polish-EEC relations. We cannot maintain the present situation, which is increasingly anachronistic in view of the improved climate between East and West. By delaying this normalization, Europeans would harm themselves and add to the record of missed chances and lost advantages.

[Reporters] And what do you think this year will be like for Europe and the world? What good will it bring to those waiting for international detente and progress in disarmament?

[Orzechowski] The international situation continues to be complicated. However, positive trends are becoming stronger. A new philosophy of international relations is cutting a path for itself. The Washington summit is a breakthrough. It has shown that it is possible to reduce and eliminate nuclear weapons and that a world free of these weapons is not a dream. This will be of key psychological importance for the future of disarmament.

However, these realistic and constructive trends are clashing with the interests of military-economic complexes in the West. There is no doubt that these will try to delay the ratification of the treaty with the United States and replace one form of weapons with others. The American presidential election may also reactivate extreme right-wing forces.

So we greet 1988 with cautious optimism. The world is looking to the future more confidently. We have reason to expect a gradual continuation of the processes that were started in Washington; progress in reducing strategic and chemical weapons and conventional forces; a positive conclusion to the Vienna CSCE conference, the start of new talks as part of the CSCE process, and the restart of the Stockholm Conference on Confidence-Building Measures and Security and Disarmament in Europe.

Even the most outspoken economists are exceptionally moderate when it comes to expected trends in the world economy. This is because of the far-reaching deregulation of financial relations, the increasing debts crisis, and the still undetermined and uncontrolled effects of the October stock market crash. The system of economic connections in the capitalist world is undergoing profound change, and is experiencing the shaping of a new three-point pattern (United States-Japan-Western Europe). This will not remain without influence on the economy of the socialist countries, which are becoming increasingly sensitive to world economic changes. One should expect increasing competition on world markets and barriers preventing the flow of modern technology.

[Reporters] A famous writer once said that a diplomat is someone who first of all predicts the course of world events and then explains why things turned out differently. What is your assessment of the accuracy of Polish diplomats' predictions concerning world events during 1987?

[Orzechowski] In today's world, in which developments occur with enormous rapidity and phenomena are interdependent, it is easy to make mistakes, even when predictions cover a period as short as 1 year. Other diplomatic corps with greater traditions and greater means at their disposal to collect and process information have also made mistakes. And I would not disparage the diplomat's profession. It is a difficult profession at the present time. It requires extensive knowledge. Contrary to common opinion, it is not glamorous and is often dangerous. It is surely time to say goodbye to those simplifications and nineteenth century operetta and vaudeville stereotypes that ceased to be valid a long time ago.

To return to the main point of your question, I can say with satisfaction that our predictions were basically proved right. We expected progress in American-Soviet relations, significant progress in the disarmament field, and greater realism toward Poland on the part of the West and a consequent increase in mutual contacts. I would like to point out that in an interview given to your paper on 9 January 1987 I mentioned that our partners were hoping that Poland would return to the traditions of the Rapacki Plan. The adoption of the Jaruzelski Plan confirmed the validity of our assessment and that the shape of the plan and the timing of its announcement were accurate.

[Reporters] To conclude, what is being talked about behind the scenes in the ministry that you head, and how does the work of the ministry of foreign affairs affect the average citizen?

[Orzechowski] We are reforming... We began reforms a year ago and we are now speeding up the process. We are instituting important organizational changes. We will simplify structures and strengthen their functional character. We are making preparations to significantly reduce the number of posts in the ministry. The changes will also cover representations abroad. We will make greater demands on our employees, although, as a whole, the foreign service cadre possess high standards of qualifications and skills, and a high degree of experience.

While maintaining the necessary amount of state and service secrecy, the ministry of foreign affairs is becoming open to an unprecedented extent. One example of this is our employees' appearances on television and radio programs, and their statements to the press. Recently I asked several dozen authorities on culture and journalism to share their views on foreign policy in a broad sense and the way in which it is assessed by the public. I received many interesting and original replies. I am carefully reading and analyzing them. We also intend to use this form of consultation in future.

As a ministry we have also taken part in the formulation of a new passport and visa policy. We are seeking to increase and improve the consular services provided to Polish citizens. We are aware that the requirements and expectations of some of our citizens are not always satisfied by the work performed by the consular service. Actually, speaking in a self-critical vein, I admit that this is not the strongest part of our service. There is much that will have to be changed and improved.

## Rakowski Discusses Issues, Socialist Renewal

*AU041151 Warsaw ZYCIE WARSZAWY in Polish 31 Dec 87-3 Jan 88 pp 3, 4*

[Interview with Mieczyslaw F. Rakowski, PZPR Politburo member and Sejm vice marshal, by ZYCIE WARSZAWY reporter Ryszarda Kazimierska: "We Recognize More Interests Than Just One"—date and place not given]

[Text] [Kazimierska] I have been trying to interview you for 2 months. It is difficult to reach you. Not because your door is shut, but because you are always somewhere. Either you are on television, or abroad, or meeting with voters, or giving an interview to an Italian correspondent, or speaking in the Sejm, or attending a meeting of the Socioeconomic Council, or taking part in the founders' meeting of the Society for the Propagation of Economic Initiatives. You have been very active recently. M.F.R is to be found here, there, and everywhere. Why is this?

[Rakowski] I worked exceedingly hard during the 5 years I was deputy premier. Basically, I had no time to myself. I had no time to recharge my battery. When I moved to the Sejm, a new period opened which enabled me to recharge it. At last I was able to read and analyze various social and political phenomena in a much calmer atmosphere. This also started a phase of thinking about the good and bad sides of my work as a deputy premier. Everyone makes mistakes.

Because I am naturally energetic, sooner or later I had to realize that one cannot just analyze and learn. This realization was also brought home to me by my age. After all, I ought to spend the last years of my political life energetically. I am not young.

There is another reason for my energy. I am not the one who suggests meetings, interviews, talks, and so on. They are suggested by people who want to hear me talk. I do not hide the fact that I am pleased with this state of affairs. Obviously there are people, listeners or viewers, who want to hear my opinion about this or that. I would be lying if I were to say that I derive no pleasure from this, considering that I am not a private person, nor do I create politics by myself. What I do is attributed not only to me, but to my party as well. If I do it well, I earn prestige for the party.

[Kazimierska] In the second volume of your "Times of Hope and Disappointments," you share the following thought: "The way I see it, an important part of socialist renewal is to abandon the tradition of faceless characters occupying the stage on which the eyes of millions of people are focused. Let people say what they want, but I hold the view that politically active people should not abandon their intervention in public life; in fact they should stimulate and encourage views and attitudes by more ways than just speeches....As far as speaking in the first person is concerned, it seems that if I were to use the term 'we,' I would be accused of shirking personal responsibility. Therefore I speak in the first person, because I mainly present my own point of view about what happened in 1980-1 and write about my own experience and feelings." I am sorry about this extended quotation, but I wanted to make it clear that some readers of your books have interpreted this passage as a sign of egocentrism and egotism.

[Rakowski] For me, this subject involves personal responsibility, which cannot be washed away by using ambiguous expressions like "we" or "you." When Leon Schiller was removed from his post as theater director and asked why this had happened, he is alleged to have replied: "We removed ourselves." I do not think the use of the first person has anything to do with a desire to attract attention to oneself. Instead, it involves a clear definition of responsibility.

Personal responsibility for collective decisions was hazy for many years. Public opinion did not learn about a person from the so-called mainstream of life until he had loudly fallen from grace. Only then did people find out about his personal responsibility, and even then not always.

There is yet another reason why I have dealt with this problem in my book. The success of this or that policy depends on more than just intelligent programs. It depends on people. In other words, politics ought to be personified or, to put it even more clearly, the success of a particular policy depends on those who implement it, therefore it depends not just on the collective, but also on the individual. The term "person" applies to everyone, including me. A person wishes to touch, as it were, another person to whom he is speaking, and convince him, for example, about the correctness of the policy he believes in and professes. In a certain sense, he wishes to get to know the other person intimately. That is why General Jaruzelski's talk with young people in "Teleexpress" [a TV current affairs program] met with exceptionally keen interest, primarily because it was an opportunity to see the head of state not on a rostrum, but in a relaxed situation, a person who says "we" if he has to, but also says "I." These are the reasons why I put forth the view you asked about.

[Kazimierska] You can probably be satisfied with that. The schedules for implementing the second stage of the economic reform contain not just dates, but names of persons responsible for specified tasks.

[Rakowski] Indeed I am satisfied, but not only because of this. Personal responsibility ought to be the rule.

[Kazimierska] It would be good if people did not shirk their responsibility later on. I wish Sejm deputies would hold the state administration more consistently to account for the performance of its tasks and that they would call the relevant persons by name.

[Rakowski] I believe such a practice ought to be introduced and made a feature of our democracy. The point is that the practice of holding persons in authority to account only when they no longer possess this authority should become a thing of the past. So that this may happen, every idea, whatever its extent, should have its clear originator. Public opinion ought to be able to attribute every success or failure to someone.

[Kazimierska] Let us change the subject. Do you think the political authorities have abandoned forever the view that one can influence society whichever way one likes provided one has the right resources?

[Rakowski] Yes, but it is necessary to decipher the authorities' way of thinking. Hundreds of thousands of people take part in exercising authority. If you asked me whether the leadership team has abandoned this view, I would say yes. But what about remaining bodies of authority? I cannot speak for them. I do not think the experience of the past 7 years has been wasted, which in any case is evident in the policy of the team headed by General Jaruzelski.

[Kazimierska] Thoughts are one thing but practical methods are another. Sometimes there is a difference between the two.

[Rakowski] That is true, and that is why one has to expand democratic institutions of control. As far as methods are concerned, undemocratic and autocratic ones have to be suppressed, but on the other hand many of the methods used in policy, whether economic or social, are interpreted in different ways. Some people consider them correct and others criticize them.

[Kazimierska] What do you think of society? Such a lot has been said lately about apathy, a lack of interest in politics, and escape into one's private world. Do you agree? Do you think what we call a civic society has really been pushed into oblivion?

[Rakowski] I used to think so for several years, but then came the referendum, as a result of which I now think that this is no longer completely the case. I believe that apathy and a lack of interest in public affairs are falling. Of course, this does not mean that every energetic attitude is a favorable one. In any case, something has stirred. This "something" is favorable for the country and citizens. Now, the political forces that determine the path of socioeconomic development have to see to it that the increase in civic energy is not just a passing phenomenon.

[Kazimierska] People say a lot about the need for democratic changes. What we have is not satisfactory. Do you not think that the reason why changes are so slow is that democratic institutions do not emerge spontaneously? The authorities have to coax and encourage enterprise, initiative, and independence, but in practice it turns out that there is and can only be one interest.

[Rakowski] It is not true that we recognize just one interest. Usually, one interest emerges out of many, and it is this interest which is the most appropriate one almost 100 percent of the time. Social and economic decisions are not arbitrary. But if people question what I am saying right now, this means that we are "paying" for the past. However, I believe we will stop doing so because I think we are capable of proving that decision-making based on the principle of "we know best" is a thing of the past. As far as the first part of your question is concerned, I think we ought to aim for the following ideal: a combination of initiative from the grass-roots and the top, in other words the creation of the social conditions permitting the conviction you have mentioned to disappear. But one cannot refuse people "at the top" the right to suggest various kinds of democratic forms of life. For example, the recently-created Society for the Propagation of Economic Initiatives has emerged "from the top." Am I to be refused the right to come out with civic initiatives, even though I am "at the top"? Are my ideas as a person "at the top" less valuable than those of a person "at the bottom"? It is results that count. Obviously one does have to bear in mind the deeply-rooted way of thinking you ask about, which means that not only does one have to create the right conditions for grass-roots initiatives, but also permit their implementation. However, we must not pretend. I mean, there might be grass-roots initiatives that are not at all favorable for the citizens and state.

[Kazimierska] Do I not detect a certain amount of mistrust in you, a person in authority?

[Rakowski] None at all. Today is not the first time I believe that a variety of social activity is an important part of socialist democracy, and that this variety of social activity can also be expressed by means of competitive organizations, associations, and so on.

[Kazimierska] I have carefully read the Politburo report to the Sixth PZPR Central Committee Plenum. It contains many new ideas, many forecasts of changes that are almost revolutionary. Do you not think we have been waiting too long for these changes, that some of them should have come into existence a long time ago? Have we not wasted too much time, and all we have done is return to the beginning of the socialist ABC?

[Rakowski] In nature and in social life nothing happens without a cause. In politics, for example, one has to say and do what is possible in concrete reality, not in some invented reality. One has to see democratic changes in a somewhat broader dimension. Since we are presenting and implementing a very developed program of democratization of the socialist system, there must be a need for this democratization. It has not emerged out of thin air. It was preceded by much experience that we had to undergo. It is not a new discovery. That is the way things happen in the life of peoples and states. Of course, this does not mean that the human factor, in other words

subjective factor, is not the cause of delays to or accelerations of essential processes. But this factor too is the product of time, which is rushing by.

## Internal Affairs Minister Reviews 1987

*AU041540 Warsaw RZECZPOSPOLITA in Polish 30 Dec 87 p 1*

[Unattributed report: "RZECZPOSPOLITA Asks Ministers: 'What Was 1987 Like, And What About 1988?'—General of Arms Czeslaw Kiszczak, minister of Internal Affairs"] [Text] Speaking as a party activist, I would say that this was a year that involved a lot of hard work for the entire nation and above all, for the working class and farmers. It was also a year full of hard work for my party, which assumed tasks stemming from the current situation, inspired further democratization of sociopolitical life, and was present among the working people. As a result, the party was further consolidated and the size of its ranks grew.

For the Ministry that I head, 1987 saw extensive mobilization and a great deal of effort connected with providing security during the pope's visit. Our work was judged highly by the public and received a great deal of recognition, which was a source of great satisfaction for us.

I am, of course, pleased that there has been further improvement in law and order and that there is a better atmosphere and more social discipline, although we are very worried about the widespread incidence of drunkenness, which gives rise to crime, which includes theft and burglary. I think that increasingly better work on the part of our officials has had a bearing on the overall improvement in the current situation. This is a product of our long-term activities, the aim of which is to raise standards in the way in which our apparatus conducts its work, to ensure that the law is adhered to and that the professional code of ethics is observed at every turn.

Within the Ministry itself, we tried our very best to conduct a review of structures and carry out job certification. We have "slimmed down" the central body in order to strengthen our primary units, whose actions have a decisive bearing on the state of law and order. We have made several hundred telephones available for public use. In Krakow, after the completion of some infrastructure facilities, militiamen and troops attached to the ministry made the great contribution of installing for free 18,700 new telephones (which accounted for 21 percent of the overall increase in the number of telephones in the city), including the installation of 1,542 telephones in the countryside around Krakow. Perhaps we will be able to provide help in this area to the inhabitants of other cities.

At the same time, we have also launched initiatives aimed at liberalizing certain regulations, for example regulations concerning passports.

We have been consistently striving, in keeping with the party line and the government's actions, to bring about a further, consistent democratization of life in our country.

The examples that I have cited account for a small percentage of what we as ministry have achieved. I think, however, that they provide an adequate picture of what we have done, and it is quite a significant contribution, to promote the further stabilization of sociopolitical life.

I expect 1988 to see a further improvement in the general climate in the international arena; the ratification of the treaty that was recently signed in Washington would ensure this. I am hoping that there will be universal support for the peace initiative announced by Wojciech Jaruzelski. It is my firm belief that 1988 will be another year of further important actions for the good of world peace.

Living in peace and an atmosphere of security should make it easier for us to put our own house in order; there is still much that we have to do.

I expect the tasks contained in the second stage of the economic reform to be performed consistently not just by the government but by everyone, and I expect there to be a further democratization of life in our country. As officials of the Ministry of Internal Affairs, we will actively cooperate in creating an atmosphere that will facilitate sociopolitical and economic changes. And, first and foremost, we will combat all instances of mismanagement and wastefulness, which public opinion quite rightly finds so shocking.

While appreciating the significance of the democratization of sociopolitical life and the increase in the scope of civil rights, we will also firmly counteract the exploitation of this process for activities that infringe on the law and harm the constitutional order.

However, I deeply hope that the increasingly better understanding of the interests of the state and the nation will promote greater consideration, reason, and realism. There is nothing we need more today than a Poland that is wise through collective effort and is strengthening the position of our state in the world through daily work.

As head of the Ministry, I expect the officials who come under my authority to better their work performance. I also expect a more accurate appraisal of their work and the overcoming of prejudice and indifference toward them by some sections of society. After all, our services, which exist to protect and defend the nation's vital interests, are an integral part of our society.

## New, 'Exceptional' KONFRONTACJE Published

*LD042055 Warsaw PAP in English*
*1948 GMT 4 Jan 88*

[Text] Warsaw, Jan. 4—The first issue of the KONFRONTACJE monthly is January's novelty on the Polish press market.

It is an exceptional magazine for various reasons. Its editorial staff includes both Marxists and Catholics, representatives of circles associated with the authorities and with former "Solidarnosc", party members and non-affiliated people, those writing exclusively in the "first" circulation and those who until recently wrote solely in the "second".

The issue features, among other things: An interview with Wladyslaw Sila-Nowicki, a member of the Consultative Council to the president of the Council of State, with the dean of foreign correspondents in Poland and former, longstanding writer for LE MONDE and LE FIGARO Bernard Margueritte who currently works for the "Europa 1" radio station, recollections by Krzysztof Buczna who was held at an internment camp during martial law, as well as the first installment of George Orwell's "Animal Farm."

Presenting the "creed" of the monthly, its editor-in-chief, Marek Goliszewski had this to say:

"Our paper is intended to be a serious test. A multifarious, complex one. A test for journalists, for the readers, for the authorities and, last but not least, for those still in the opposition. Simply—for all of us...Poland's future is being determined right now and along with it, our individual one reaching into the coming years and the whole historical period. Life calls for decisive steps forward in all fields. The will of all Poles should be brought together with a view to achieving this, i.e. a new, different state of national awareness..."

Following are excerpts of other statements published in KONFRONTACJE:

Sila-Nowicki on issues of civil political culture: "I hold that politics and civil stance are an art of the possible. One should adjust one's most noble impulses to overall possibilities. In public activities one cannot place individual good in the fore. Some one could be devoted to some idea and be ready to sacrifice his life for it... This is all right, as long as it is his life and not that of the whole nation. We can sacrifice ourselves, at times this is heroism, but we have no right to sacrifice the country... Today the meaning of law abindingness boils down to the fact that in the state's activities one must adjust the diversity of stances, attitudes and views to the vital interests of the nation and the state. This need must be felt by those who govern and the governed."

Bernard Margueritte shares his experience as a journalist and his perception of Polish affairs, stating in part: "Objectivity: I absolutely do not believe that something like this exists. I think that it can even be harmful. Engagement is healthy, under the condition that one does not lose honesty with regard to others and himself...

"It seems to me that the 'road leading' to December 13, 1981 (introduction of martial law—ed.) was marked by two especially disoncerting moments. The first was the sermon delivered by Cardinal Stefan Wyszynski at Jasna Gora. At that time he spoke about the need to maintain common sense. From Czestochowa I left immediately for Gdansk where I learned from Mr. Walesa that the TV manipulated the coverage. When I said that I heard the homily myself, it was stated that, with all due respect for the cardinal, he is too old, that perhaps he is afraid... it was then that I understood that there is a threat of disaster. Despite its self-restraint, 'Solidarnosc' went too far...

"I am faithful enough to the assumptions of De Gaulle's policy to understand the need for preserving European indentity and defending it. Jaruzelski's plan is undoubtedly a case in point..."

Deputy editor-in-chief of NOWE DROGI (a PUWP organ) Ludwik Krasucki said: "I place an equation mark between careful but firm hope and the new wave of political and economic transformations which are spreading throughout our country. Anyone who thinks in Polish terms and is able to reason politically, should place the chance of cooperation in these reforms above all past experience, be it even deep-rooted and painful."

The deputy editor-in-chief of the Catholic weekly LAD, Maciej Letowski stated: "The resolutions of the 6th plenum of the party allow one to look at the political reforms in our country with greater hope."

KONFRONTACJE is brought out under an order of the National Council of the Patriotic Movement for National Rebirth PRON which treats national reconciliation as the supreme cause of the whole movement.

## Interparliamentary Union Group Holds Meeting

*AU241857 Bucharest AGERPRES in English*
*1636 GMT 24 Dec 87*

[Text] Bucharest, AGERPRES, 24/12/1987—The Inter-Parliamentary Union's Romanian Group held its general meeting in Bucharest to discuss a report on the activity of the Romanian Group of the Inter-Parliamentary Union and of the Romanian Parliamentary Group for Security and Cooperation in Europe in the year 1987, and a draft programme for 1988.

The meeting was chaired by Nicolae Giosan, the chairman of the Grand National Assembly [GNA] (Romania's parliament).

The speakers included Marin Ivascu, GNA deputy chairman, chairman Inter-Parliamentary Union's Romanian Group, Radu Voinea, chairman of the Romanian Parliamentarian Group for Security and Cooperation in Europe, Dumitru Ghise, Ioan Gheorghe Dinca, Ernest Breitenstein, Iuliu Fejes—GNA members.

Bilateral activities and work in the Inter-Parliamentary Union were considered.

Highly significant in the Romanian parliamentarians' activity was shown to be the promotion of President Nicolae Ceausescu's view of the role of people, of public opinion in the world, on the responsibility of parliaments for the promotion of the people's vital interests, on the more efficient demonstration of the potential for action that parliaments around the world have for the building of a luminous future. This year's actions of parliaments in various countries of the world strongly confirmed the value of this idea founded on the great social and national changes in today's world, on the changed balance of forces, on the realization of the growing force of parliaments that can and ought to make governments and politicans take into account the will of the people they represent.

Emphasis was also placed on the wide-ranging activity of promoting Romania's widely open foreign policy supported by the Romanian Group of the Inter-Parliamentary Union and the Romanian Parliamentarian Group for Security and Cooperation in Europe.

The Romanian parliamentarians' work at the inter-parliamentary conference in Managua was shown to have strengthened the prestige enjoyed by Socialist Romania's constructive contribution, as well as by President Nicolae Ceausescu's persevering initiatives and actions. Significantly, the Inter-Parliamentary Council decided to hold the Seventh International Conference on Cooperation and Security in Europe in Bucharest, in May 1989, when the Inter-Parliamentary Union celebrates its centenary.

It was also shown that, on a regional plane, the Romanian Group of the Inter-Parliamentary Union and the Romanian Parliamentarians Group for Security and Cooperation in Europe were also concerned to create the conditions for a Balkan inter-parliamentary meeting.

The activity of the Romanian Group of the Inter-Parliamentary Union and of the Romanian Parliamentarian Group for Security and Cooperation in Europe was unanimously approved, and the programme for 1988 adopted.

## Ceausescu Receives Diplomatic Corps

*AU301712 Bucharest AGERPRES in English*
*1536 GMT 30 Dec 87*

[Text] Bucharest AGERPRES 30/12/1987—December 30, President Nicolae Ceausescu of Romania received diplomatic heads of mission, representatives of some organizations accredited to Romania, who congratulated him on the 40th anniversary of the Republic proclamation and the New Year's Eve.

Attending were Mme Elena Ceausescu, Constantin Dascalescu, Manea Manescu, Gheorghe Radulescu, Ion Dinca, Gheorghe Oprea, Nicolae Giosan, Ion Stoian, Ioan Totu, Silviu Curticeanu, Ilie Vaduva, minister of foreign trade and international economic cooperation, Aurel Duma, minister secretary of state at the Ministry of Foreign Affairs.

The attending diplomats conveyed to President Nicolae Ceausescu, in behalf of the heads of state and government, of the leaders of the organizations they are representing, cordial congratulations, wishes of good health and happiness, new successes in his activity at the helm of Romania for the Romanian people's prosperity, for the strengthening of friendship and development of collaboration with all world states, for the building of a climate of security and peace, of understanding and broad collaboration among all world nations.

In his address on the occasion, Haytham Barakat, ambassador of the Syrian Arab Republic, dean of the diplomatic corps, said inter alia: These days a wave of optimism is sweeping the international life. The whole world makes for an era of cooperation and detente. The signing of the treaty on the elimination of medium- and short-range missiles during the last Soviet-American summit, essentially meets people's aspirations at peace and disarmament. All of us present here share this feeling that has swept the international community and hope that equitable solutions will be reached for the problems that inflict sufferings on some peoples of the planet, especially the violation of their rights, racism, domination, economic exploitation and the deepening of the gap between the developed and developing countries.

We invoke again the principles and purposes of the United Nations Charter, that have as target the building of a more humane society, governed by justice, equality and security, so that a new hope may appear for the building of a better future for mankind.

Then, the dean of the diplomatic corps said:

These noble principles have not been applied completely, because of the growing aggressive actions, of the use of force and of the threat of force in international relations. It is therefore necessary that the already started process of disarmament be matched by the elimination and liquidation of all these negative aspects in international life.

The big number of countries represented in Bucharest is a proof of Romania's policy of conducting relations with the international community, that comprises states with differing economic and social systems, relying upon the observance of the principles of independence, sovereignty, equality and non-interference in internal affairs.

The speaker also appreciated the constructive participation of Romania, under President Nicolae Ceausescu's leadership, in the works of the United Nations and of other international bodies, where its active presence is shown both in an active collaboration and in the understanding of her responsibilities with regard to the major world issues.

Highlighting that the diplomats accredited in Bucharest followed with keen interest the activities of Romania's president in the world arena, the efforts he made for the cause of disarmament, economic development, cooperation, international peace and security, the dean of the diplomatic corps mentioned that under President Nicolae Ceausescu's leadership Romania marked tangible progress in recent years in her economic, cultural and social development, and expressed the confidence that that path would be followed the next year as well, in all domains.

In concluding his address, the dean of the diplomatic corps addressed President Nicolae Ceausescu and Mme Elena Ceausescu, the Romanian Government and people most sincere wishes of good health, prosperity and peace in behalf of the diplomatic corps, on the new year and on the 40th anniversary of the Republic's proclamation.

Thanking for the congratulations and good wishes addressed, President Nicolae Ceausescu took the floor. The Romanian head of state's address was followed with attention and great interest and punctuated with applause.

At the end of the interview, President Nicolae Ceausescu raised a glass of champagne to the health of the diplomats there, wishing them once more good health, happiess, fresh successes in their activity and the traditional "A Happy New Year".

## New Year's Eve Fund Allocations

*AU281945 Bucharest AGERPRES in English 1807 GMT 28 Dec 87*

["For the Winter Tree Celebration"—AGERPRES headline]

[Text] Bucharest, AGERPRES, December 28,1987—The winter tree celebration is organized over December 28-January 3 in kindergartens, enterprises, institutions, farm units, cooperatives, urban and rural houses of culture, orphanages, medical units for children in Romania.

To this end, the mass and public organizations ensured from their own incomes 257,830,200 lei, by over 13 million lei more than last year. Adding to this are the garments and other items worth 6,263,000 lei, made by benevolent work by local women's organizations and UCECOM [Central Union of Handicraft Cooperatives] units. Almost 4,000,000 children will benefit from the funds earmarked to the winter tree celebration and receive presents on the occasion.

Political-educative events take place on the occasion, as well as cultural-artistic programs and "Children's Lands" are organized in the county seats and in the capital.

Actions are also arranged that ensure the useful and pleasant spending of the pupils' and students' winter holidays, camps for rest and instruction are organized, holiday clubs, trips and other activities, as well as sports competitions within the "Daciada".

All these measures and actions, organized on the winter tree celebration, reflect once more the permanent care of the RCP and Romanian state for the young generation of the country, for ensuring a happy childhood, ever better conditions for the young ones to grow up as advanced people of the Romanian society.

## Defense Minister Greets SFRY Counterpart

*AU241936 Bucharest SCINTEIA in Romanian 22 Dec 87 p 5*

[Text] Colonel General Vasile Milea, minister of national defense of the SR of Romania, sent a congratulatory telegram to Fleet Admiral Branko Mamula, SFRY federal secretary of national defense, on the 46th anniversary of the Day of the Yugoslav People's Army.

## Leaders' Public Appearances 20-26 Dec

AU261910 [Editorial Report] Romanian media 20-26 December report the following public appearances of Romanian leaders (sourcelines given in parentheses):

On 21 December, President Nicolae Ceausescu chaired and addressed the plenary meeting of the Socialist Democracy and Unity Front (Bucharest AGERPRES English 1653 GMT 21 Dec 87). On the same day, Ceausescu chaired a meeting of the PEC of the RCP Central Committee on self-sufficiency program (Bucharest AGERPRES in English 1643 GMT 21 Dec 87) and received the credentials of Katsuhiro Ichioka, the new Japanese envoy to Romania (Bucharest AGERPRES in English 1459 GMT 21 Dec 87).

On 22 December, President Nicolae Ceausescu and Elena Ceausescu attended proceedings of the plenary meeting of the Supreme Council of Romania's Socioeconomic Development. Nicolae Ceausescu and Prime Minister Constantin Dascalescu addressed the meeting (Bucharest AGERPRES in English 1739 GMT 22 Dec 87).

On 23 December, President Nicolae Ceausescu, attended the opening of the sixth session of the ninth legislature of the Grand National Assembly (Bucharest Domestic Service in Romanian 0900 GMT on 23 Dec 87). He also attended the afternoon session of the Grand National Assembly (Bucharest AGERPRES in English 1806 GMT 23 Dec 87).

On 24 December, Nicolae Ceausescu attended the second day of the Grand National Assembly proceedings (Bucharest AGERPRES in English 0725 GMT 24 Dec 87). On the same day, Nicolae Ceausescu took part in a solemn meeting held at the Grand National Assembly Palace, on the 40th anniversary of the proclamation of the Republic; Elena Ceausescu, member of the PEC of the RCP Central Committee addressed the meeting (Bucharest AGERPRES in English 0954 GMT 24 Dec 87)

On 23 December, Radu Balan, RCP Central Committee secretary and Ioan Ursu, candidate member of the Political Executive Meeting of the RCP Central Committee addressed the afternoon proceedings of the Grand National Assembly session (Bucharest AGERPRES in English 1756 GMT 23 Dec 87).

On 23 December, Lina Ciobanu, deputy prime minister and member of the PEC, presented the self-management and self-sufficiency program to the Grand National Assembly (Bucharest AGERPRES in English 1852 GMT 23 Dec 87) while Manea Manescu, member of the PEC permanent bureau presented the bill on the functioning of the Supreme Council of the Socioeconomic Development to the same session of the Grand National Assembly (Bucharest AGERPRES in English 1758 GMT 23 Dec 87).

On 24 December, Nicolae Giosan, chairman of the Grand National Assembly and candidate member of the PEC of the RCP Central Committee chaired a general meeting of the Romanian Group in the Interparliamentary Union (Bucharest AGERPRES in English 1636 GMT 24 Dec 87).

On 23 December, Gheorghe Oprea, member of the Political Executive Committee of the RCP Central Committee met with Willi Stoph, member of the Politcal Bureau of the SED Central Committee, in Berlin (Bucharest AGERPRES in English 1840 GMT 23 Dec 87).

## Leaders' Public Appearances 27 Dec-2 Jan

AU022103 [Editorial Report] Bucharest AGERPRES in English 27 December 1987 through 2 January 1988 report the following public appearances of Romanian leaders (sourcelines given in parentheses):

On 28 December, President Nicolae Ceausescu chaired a PEC meeting on the 1987 balance of payments (1643 GMT 28 Dec).

On 29 December, President Nicolae Ceausescu addressed New Year well-wishers at the Party Central Committee Headquarters in Bucharest (1442 GMT 29 Dec).

On 30 December, President Nicolae Ceausescu received and addressed the heads of diplomatic corps accredited in Bucharest on New Year's Eve (1536 GMT 30 Dec).

## SFRY Enters 1988 Without Annual Budget

*LD041301 Belgrade TANJUG in English*
*1222 GMT 4 Jan 88*

[Text] Belgrade, Jan. 4 (TANJUG)—Yugoslavia has for the first time in its history entered the new year without the annual plan and budget, due to the fact that the six republics and two autonomous provinces failed to reach an agreement in the Assembly of Yugoslavia even in the last minutes of 1987.

Assessments in Yugoslav dailies in their first editions about possible consequences concerning the postponement of the adoption of the country's most important annual documents range from pacifying and reasonable to dramatic ones.

The Assembly will continue discussing the draft resolution (plan) and federal budget after the new year holidays. Until the resolution is adopted provisions of the medium-term plan on the country's development to 1990 will continue valid.

At the end of 1987, the Yugoslav Assembly was, however, compelled to pass a law on the temporary (monthly) financing of the federation. The adoption of the above law was initiated by the federal government, which is again a precedent in the practice to date. The government also proposed that the 1988 budget total 5769.8 billion dinars (around 4.5 billion dollars). The bulk of the budget, 66.6 percent, i.e. 3840 billion dinars, is to be set aside for the Yugoslav National Army.

The fact that Yugoslavia entered 1988 without a resolution on social development is not as disastrous as some believe it to be, Member of the Yugoslav Presidency (from the Republic of Slovenia) Stane Dolanc stated in his New Year interview to TV Ljubljana.

Dolanc also said that the state constitution includes a provision for such situations and that Yugoslavia, in this case, "is proving that it is very seriously discussing what the concept of the economic policy in the New Year should be".

Dolanc assessed that the failure to adopt the resolution is not only the result of the conflict between the republics of Croatia and Slovenia, on one side, and the other republics and provinces on the other. It is a also conflict, underscored Dolanc, of the advanced part of Yugoslav economy, highly accumulative and actively export-oriented, wanting progress, which is, at this moment, carrying the burden of the economic stabilization, and the other part which is not all of this.

Dolanc expressed the opinion that there can be no way out of the country's current economic crisis, unless the principle of market trade economy, i.e. the principle of efficacous economy, clearly and firmly be established in Yugoslavia's economic policy. Theoretically, the majority is in favour of the above path, or, when it comes to the actual adoption of [word indistinct] and documents pertaining to (?specific) interests: the [words indistinct] there, said Dolanc.

The Zagreb daily VJESNIK assesses that the fact that the 1988 plan and financial documents were not adopted shows that Yugoslavia's economic and political crisis has reached a climax and that it is still far from the end.

VJESNIK says that documents making great promises will no longer be adopted as easily as before.

The daily considers that the continued adjusting of the republics' and provinces' stands in the Assembly of Yugoslavia should not take the form of pressure and blackmail since that would cause this year's plan and financial documents to be adopted as previously.

VJESNIK says that a conflict between two republics—Slovenia and Croatia—is not the issue, as some want to present it, but rather a clash of two types of economic logic.

One type of logic, which advocates respect for market economy, considers that only as much as has been earned can be spent, while the other considers that it can continue to live at the expense of the state, only verbally respecting economic laws.

The Yugoslav daily BORBA voiced the opinion that the events in the Assembly of Yugoslavia have marked a significant change in the method of work to date.

BORBA says that what has been hidden for years—various interests in the national economy—has now surfaced completely.

Possibilities have been created to speak more openly of these things and continue the adjusting of stands in the assembly with more arguments and debates.

The Belgrade daily POLITIKA writes that what happened in the Assembly of Yugoslavia causes concern because interests obstructed an agreement.

Ever since Yugoslavia's economic policy began being established through a consensus, the republics and provinces have developed special tactics of bargaining and blackmail to gain as much as possible for themselves.

POLITIKA assesses that practice as a negative one which is in no event leading the country out of the economic crisis and concludes that the economy has, at the very start of the year, been put in a position in which it does not know where it stands nor what it should expect.

The daily wonders whether those who live in and belong to one society can condition a consensus solely on demands that their interests be met, totally disregarding others' interests.

**Dolanc Discusses 1988 Economic Policy**
*LD021939 Belgrade TANJUG Domestic Service in Serbo-Croatian 1039 GMT 2 Jan 88*

[Text] Ljubljana, 2 Jan (TANJUG)—The fact that we have entered this year without a resolution on social development is not the great catastrophe that some are portraying it to be. It is, in fact, a matter of two things: First, the Constitution has envisaged such situations; second, in this way we are in fact proving that we are discussing very seriously what the concept of economic policy should be this year, Stane Dolanc, SFRY Presidency member, stressed in a long interview for Ljubljana television, broadcast on last night's television news program. He particularly stressed that it is not merely a matter of a conflict between, for example, Slovenia and Croatia, on the one hand, and the rest, on the other, as some wish to portray it. In fact, it is a case of a conflict between the advanced part of the Yugoslav economy, which is an accumulative, active exporter that wants to move ahead and is now bearing the burden of economic stabilization, and the other parts.

Recently we have been portraying our society and everything happening in it too negatively, giving the impression that we are a society of affairs, criminals, and such, while the successes, plentiful throughout the country, are practically no longer mentioned, Dolanc said. In his assessment, this is a result of the economic situation in which many wish to portray themselves as being in the greatest poverty and this society unfit for living in. Sometimes it is a case of intentionally wanting to show the political system of socialist self-management as incapable of leading Yugoslavia into a richer, more developed socialism.

Opining that the fundamental conflict in our society today is essentially between the advanced part of the economy and the other, Dolanc said that, unfortunately, what is progressive is sometimes delineated in our country in terms of ideopolitical communities. A consequence of this, of course, is tension—national and even nationalistic. Some favor abolishing the republics; others believe that the republic is the only state and in practical terms believe that the only solution is a confederation. The goal, Dolanc stressed, should be an economically stable society in which each person lives from his labor and receives recompense in accordance with his work—a society in which the guiding star should be know-how, culture, and a high level of education. It is no accident that it is precisely these areas that are the subject of dispute. In Dolanc's opinion, they have been very adversely affected by the intervention measures, which is not good. We have in fact not cleared up some fundamental questions: whether science, culture, and education are a constituent part of the placing of economic value on work and whether they are a constituent part of the production process.

Stane Dolanc expressed his conviction that unless the principles of the market economy—in other words an efficient economy—are enshrined by us in our country's economic policy, there will be no way out of the crisis. The decision to go down this road was made by the majority, he said; however, when stances are taken based on individual interests, then this unity no longer exists.

Speaking about how Slovenia is viewed today in Yugoslavia, Dolanc said that a good part of the Yugoslav population still views Slovenia positively. For them, it is a republic that is often said to have considerably higher personal incomes than in other republics. Life really is richer in every respect in Slovenia, Dolanc said; others see this and often highlight Slovenia, its economy, and social relations as an example. However, Slovenia is often reproached for living at the expense of others and as a developed region exploiting the underdeveloped regions; there is talk of democracy in Slovenia already reaching a stage that is untenable for Yugoslavia, of total liberalism having prevailed. Some go so far as to talk of Slovenia aspiring to leave Yugoslavia; it is reproached for separatism. Dolanc said that this is very bad and that these tendencies have even appeared in some newspapers, magazines, and in the odd television broadcast, something that is also not good.

According to Dolanc, the cause should be sought in conflicting economic interests. Another reason is that we are not acquainted enough with each other. Dolanc expressed his deep conviction that many more Slovenes have been to Austria or Italy than to Kosovo, Montenegro, or Macedonia; that we are not familiar with these republics and that we do not know what life is like there. In Dolanc's opinion, the great majority of Slovenes favor a socialist self-managing Yugoslavia in which all will live from their work. Slovenia has always exactly fulfilled its obligations toward the federation—sometimes it has been the only one to do so, and too little is known about this.

Assessing that the overall current situation certainly reflects badly on the country's leadership as well, Dolanc stressed that the leadership system was constructed while Tito and Kardelj were still with us. In the past there were a considerable number of crises, but not leadership crises since Tito was a revered figure, capable of cutting through any Gordian knot. Crises were resolved quickly through Tito's authority, and the economic situation was much better than it is today. Dolanc is convinced that in a different economic situation we would have far fewer problems in the political sphere as well. Criticism of the

1-year mandate is justified, and it should be changed. It should remain, in Dolanc's opinion, only in the case of the SFRY Presidency and the LCY Presidium, but is unnecessary elsewhere.

In Yugoslavia, and particularly in Slovenia, there is much talk of a civil and legal state. The definition of a civil society is unclear, according to Dolanc; there is more than one definition. As far as the civil state is concerned, said Dolanc, I am for it. However, if by a civil state anyone is imagining a state with several parties, with institutions of capitalist content, or some others, then I am against it. In connection with the so-called verbal delict, Dolanc said the SFRY Presidency began discussions on this more than 3 years ago. According to him, the Presidency will put forward an initiative for the assembly to change the criminal code, to cancel a part of Article 133—that is, for verbal delict to remain a crime only if it involves organized activities provoking national, religious, or racial hatred. Provision is made for such penal sanctions in almost all states around the world, said Stane Dolanc, speaking on last night's Ljubljana Television news.

## Calling Opinions to Account Criticized

*AU011812 Belgrade BORBA in Serbo-Croatian 18 Dec 87 p 2*

[Ivan Torov commentary: "Calling Opinions to Account"]

[Text] Democracy is certainly the most difficult test whereby the LCY, today and tomorrow, will either be confirmed as the real class vanguard, thereby pulling society toward a way out of the crisis, or it will bend its back to the forces within itself that keep it at the old positions of a monolithic and monopolistic party that dictates the entire life of both society and individuals.

Therefore, and particularly because of the general crisis in society that has also affected the LC ranks, the spread of internal party democracy is now one of our "questions above all questions." The democratic aspect of democratic centralism and the conditions for a struggle of opinions, and for remaining in a minority without any consequences arising from a different opinion and from a properly argued critical attitude toward the overall situation in the LC or toward the work of any party leadership or official have a particular place and significance in this respect.

In the LC in general, as the crisis deepens, the number of those people seems to be increasing who would wish, even if only temporarily, to replace the regular, democratic, and statute ways with some "democratic" shortcut of their own that brings under the hammer of differentiation not only the nonimplementation of the LCY policy but also different opinions.

The latest citing of names and calls to account involving LCY Central Committee members Dusan Dragosavac, Sergej Kraigher, Nandor Major, Djordje Stojsic, Azem Vlasi, Kolj Siroka, and Milan Kucan because they expressed a somewhat different opinion about the responsibility of Fadilj Hodza at the 11th LCY Central Committee session seem best to indicate what catches are hidden in political campaigns. What is more, they also indicate why one should beware of political hysteria, although it is not and it cannot be disputed that everybody's opinions may be criticized and analyzed.

If the present campaign against these members of the highest party leadership is accepted as a permissible method, as something that is regular politically, not only are statute principles directly attacked but the struggle of opinions in the LCY boils down, in advance, to a reductionist opinion in the sense of a "desired opinion," and the LC members are forced to pay most attention to the worry whether their position will find favor with the person who possesses more political power. In this way, the principle of democratic centralism is being essentially reduced, and so is the statute right to possess and to maintain one's own opinion. What is being done in many forums and party organizations in some parts of the LCY essentially abolishes a part of Article 30 of the LCY Statute which very definitely says that "an LC member cannot bear political responsibility for criticism and an opinion he has expressed."

It seems that the political differentiation after the eighth plenum of the Central Committee of the LC of Serbia provides such examples, too.

Some traits of this differentiation, above all some demands and tones, which have met with no opposition or criticism by local leadership members nor by representatives of the Central Committee of the LC of Serbia who attended the sessions where the names were called, have caused concern in the Yugoslav political public for good reason, particularly because after the eighth plenum, there have been assurances by the top officials of the LC of Serbia that nobody will be called to account and pay the bill for a different opinion. To give an example, we quote the words of Borisav Jovic, member of the Presidium of the Central Committee of the LC of Serbia, in a recent television interview:

"The fact alone that somebody had an opinion different from the majority at a Central Committee session cannot produce any negative consequences for him. It is his statutory right and even obligation that he expresses his opinion. However, at the same time he has a statute obligation to accept and to implement the positions of the majority, and in this respect there can be no difference between the one who was "in favor" and the one who was "against." The attitude of the LC, therefore, toward any member, including those who in this particular case remained in a minority at the eighth session, depends on his practical conduct regarding the positions and tasks set by the LC, and not on his vote at the time."

One can indeed find no fault with this Jovicic's attitude. But one can find political fault, and very much at that, with a considerable number of specific and, until yesterday, virtually daily calls by the "grassroots" whose acceptance would mean, to put it mildly, a restriction of the statute rights of LC members, especially "the right and obligation to one's own opinion."

For the sake of illustration, let us mention the case of Borislav Srebric, member of the Central Committee of the LC of Serbia. The undemocratic and anti-statutory procedure—his being called to account for a (different) opinion expressed at the session of the Central Committee of the LC of Serbia—was most drastically demonstrated in his case. Only a few days after the eighth plenum, he received a message from the Presidium of the Communal Committee of the LC of Pozarevac that it does not accept B. Srebric's "independent speech," and it was proposed that an interview be held with him to see whether "he keeps to his independent speech." If he maintains the assessments expressed at the eighth session, which are "unacceptable for Pozarevac Communists," he may expect "more than a proposal for an interview." It is indeed not difficult to guess what is "more than an interview." And again there was no word about Srebric's conduct and attitude after the eighth session of the Central Committee of the LC of Serbia.

Carefully analyzing these extreme occurrences in the present expressing of opinions by members of the LC of Serbia, it is difficult to shed the impression that the eighth plenum served some people as a cover and a cloak in their attempts to square some accounts, which not only have nothing in common with the basic content of democratic centralism in the LCY—which these people so often invoke—but also, in essence, with their citing names of those holding different views, are a disservice to the very eighth plenum of the LC of Serbia.

To suffer political consequences for a different view, a "sin" like Kraigher's or Srebric's, must not be admitted to even through the back door. If that were to happen, the situation and the relations in the LC will stop the initiated processes of democratization in society and will present an opportunity to various political profiteers whose primary aim is, preventing any different opinion, and even thought as a thought, and removing their potential, actual or imaginary, political opponents, to essentially clear the space for their own bureaucratic rule and for their establishing a monopoly even on opinions. The legalization of such an atmosphere and relations would be the greatest danger both for the LCY as a whole and for its sections.

For its own sake, the LC—or any of its sections—must not give its consent to ignore or violate statutory and democratic norms in the name of any kind of "higher aims," unity, or efficiency. If the LC becomes too small for a member who thinks and for the struggle of opinions, the further democratization of relations—which is one of the key prerequisites for the real solution of crisis—will be delayed and even endangered. The LC itself would for a long time miss the chance to definitely free itself from that which is still making it to a great extent a party in power.

### Vojvodina Officers Call Stankovic to Account

*LD231740 Belgrade TANJUG Domestic Service in Serbo-Croatian 1254 GMT 23 Dec 87*

[Text] Novi Sad, 23 Dec (TANJUG)—The Vojvodina Federation of Reserve Officers Provincial Conference Presidium today called for a discussion to be held in the Serbian Federation of Reserve Officers Republican Conference Presidium to assess and establish the responsibility of the president of that Presidium, Milivoj Stankovic, for his statement at a recent session of the Serbian SAWP Republican Conference.

The declaration of the Serbian Federation of Reserve Officers Republican Conference Presidium and the assessments made on this occasion have caused astonishment, anger, and indignation among the members of the Vojvodina Federation of Reserve Officers, it was stated in the conclusions of today's session of the Vojvodina Federation of Reserve Officers Provincial Conference Presidium today. Stankovic, according to the stenographic notes from the session of the Republican SAWP Presidium, speaking about unity in the security services, said: "And in this respect we are in a delicate situation. We have four such neighbors with the longest borders in the country. These neighbors of ours have settled their borders with their own peoples, and we have settled our border zones with nationalities. In this way we have, objectively speaking, and without belitting the role and patriotism of these nationalities, created better conditions for them for their intelligence activities. Our provinces could not possibly protect their borders independently without the help of the republic. For this reason, on this level, if agreement is not reached, it will not be good."

The assessment of the Vojvodina Federation of Reserve Officers Provincial Conference Presidium is that such a statement "undermines the basic values of our socialist self-managing society, brings into question the basic achievements of the national liberation war and the socialist revolution, the strengthening of brotherhood and unity, and the equality of our nations and nationalities. The presidium assesses that attempts at divisions on a national basis and doubting the value of any of our nations or nationalities plays into the hands of those who doubt our socialist community, our Yugoslavia, the common homeland of all our nations and nationalities, created in the heroic national liberation struggle and postwar construction under the leadership of the LCY and Comrade Tito."

"Our membershp, participants in the national liberation war, workers, agricultural workers, students, and members of all nations and nationalities who live in the Socialist Autonomous Province [SAP] of Vojvodina

completely reflect the structure of the population of the SAP of Vojvodina in their composition and are an important factor in the defense system of the SFRY, and such a statement, as well as any doubt based on the spreading of mistrust, we energetically reject. We react against this decisively, since what we are dealing with here is a very crude attack by a responsible official who is at the head of the organization of the Serbian Federal of Reserve Officers, which represents a direct attack on the consciousness and feelings of the reserve officers of Vojvodina from all nations and nationalities. We are witnesses to the fact that this is only one in a series of attacks that have been made recently in relation to the SAP of Vojvodina, particularly in the present phase of the discussion on constitional changes."

The extent to which these attacks go, it is stated at the end of the conclusions, can also be seen from the fact that hitherto individuals have been at the center of them who are prominent officials and leaders of organs and organizations in the SAP of Vojvodina, and now the members of all the nationalities who live in the province.

## Croat LC Central Committee Session Begins

*LD222252 Belgrade TANJUG Domestic Service in Serbo-Croatian 1730 GMT 22 Dec 87*

[Text] Zagreb 22 Dec (TANJUG)—In these complex times Yugoslav Communists must ensure their unity and restore their integrational and leading role in society, with a further confirmation of democratic, class and national social trends. This assessment was made at the 12th session of the Croat LC Central Committee, which started today in the building of sociopolitical organizations in Zagreb.

On the 1st day of work, members of the Croat LC Central Committee endorsed an assessment of the political and security situation in the SR of Croatia and drew attention to the signs of division in the Yugoslav community and the LCY, to the social and political consequences of the economic crisis and the questions of efficient activity of the system's institutions.

Assessing the political and security situation, the Croat LC Central Committee warned about the unnecessary politization of almost all social questions. It was assessed that instead of stressing the things that connect us, increasingly often we are allowing the emphasis of differences, even when they are a constituent part of the process of democratic decisionmaking. With the polemics in the LCY as well, sometimes the impression is being created of acting from positions of partial interests.

In the part of the debate on the consequences of the economic crisis in the country and efforts to overcome it, the Croat LC Central Committee assessed that in the single Yugoslav program of stabilization, despite adopted orientations, there are solutions which strengthen the normative and distributory role of the state, which diminishes the activity of the market and monetary laws.

Starting from the stand that the economic crisis already has serious social and political consequences, the Croat LC Central Committee resolutely demands that responsibility for the failure to realize undertaken obligations should be established at all levels. The question of responsibility should not be limited only to the economy, rather it should include all those who are active within the system's institutions. The real measure should be the results that followed from the tasks set at the 13th LCY Congress and the 10th Congress of the Croat LC. Without these results not a single individual or institution should any longer have social support to continue their activity.

The Croat LC Central Committee session continues tomorrow with a discussion on ideological and political questions of socioeconomic development next year. On the agenda there will also be preparations for the first LCY conference, as well as programs for actions of Communists to realize cadre policy and tasks in the area of culture and creativity.

## Number of Work Stoppages Almost Double 1986

*LD041405 Belgrade TANJUG Domestic Service in Serbo-Croatian 1111 GMT 4 Jan 88*

[Text] Belgrade, 4 Jan (TANJUG)—Trade union statistics have noted 1,570 work stoppages in our country during the period from the beginning of 1987 to just before the end of December. Three hundred and sixty five thousand workers took part. Thus the workers' dissatisfaction, expressed in this way, broke its own record this year. The number of work stoppages was almost double that in 1986, when 851 strikes were recorded. As far as participants are concerned, there were three times as many in 1987 as the previous year, when the figure stood at 88,000.

The growth of dissatisfaction is even more eloquently testified to by the fact that there were 8.5 times as many strikes in 1987 as they were in 1982, and 22 times as many participants in them.

The workers in Croatia led the way in 1987—411 strikes were registered and 69,580 persons participated. They were followed by Serbia proper—351 strikes and 56,640 participants; Bosnia and Hercegovina—227 strikes and 46,500 participants; Slovenia—222 strikes and 29,700 participants. In Macedonia, 180 strikes were recorded with 34,600 participants; in Kosovo, 65 strikes with 10,800 participants; and there were 50 strikes in Montenegro with 11,140 participants.

## Pancevski Views Hodza, Albanian Nationalism

*AU021101 Belgrade BORBA in Serbo-Croatian 9 Dec 87 p 2*

["From Milan Pancevski's speech" on the second day of the 11th session of the LCY Central Committee in Belgrade on 8 December: "Decisive Influence on Escalation of Great Albanian Nationalism"; passage in boldface as published]

[Text] Emanating from the essence and significance of the ninth LCY Central Committee session in general and item 18 of the conclusions adopted at the session in particular, the Presidium and the working group had to solve a very responsible, voluminous, and complex task. The working group and the Presidium have performed this task in a very responsible way and in doing so they arrived at unanimous assessments of the ideopolitical responsibility of Comrade Fadilj Hodza for the spread and escalation of Albanian nationalism and separatism in Kosovo culminating in the open manifestations of counterrevolution in 1968 and 1981, Milan Pancevski, member of the LCY Central Committee Presidium and president of the LCY Central Committee working group for investigating Fadilj Hodza's responsibility said when expounding the Draft Stands and Conclusions of the LCY Central Committee on Fadilj Hodza's responsibility in the following 12 points.

Against the LCY Concept in National Relations [subhead]

1. The basic question on which Fadilj Hodza's real and unacceptable ideopolitical attitude was expressed and manifested was the LCY view on intranational relations, and in this context, the position of the Albanian nationality and its affirmation within the framework of the Socialist Autonomous Province [SAP] of Kosovo, the SR of Serbia, and Yugoslavia as a whole. With his ideological attitude, creation and implementation of policy, and his practical impact in everyday life and work, Fadilj Hodza, either directly or indirectly, consciously or unconsciously, with an active attitude or out of opportunism, exerted an essential influence on the presentation and implementation of ideas, attitudes, and practice that were incompatible with the LC's ideological view on the solving of the nationality problem and the development of intranational relations. Instead of struggling persistently, energetically, and without compromise for brotherhood and unity, and for the equality and togetherness of all the peoples and nationalities that live in Kosovo, Serbia, and in a Yugoslavia based on the self-managing and dominant position of the workers class, Fadilj Hodza proceeded essentially from non-Marxist, statist, and historically outdated ideas and aims in the creation of intranational relations. Instead of a struggle for true national affirmation and the realization of the historical interests of the Albanian nationality in a life together with other peoples and nationalities and in the development of self-management, in essence and in real terms, a climate and attitudes were created that favored and stimulated the spread of Albanian nationalism and separatism, flirted with them, thus objectively creating collusion between parts of the Kosovo leadership structure and Albanian nationalists and separatists. Instead of equality, brotherhood, and unity, processes, and attitudes were encouraged that meant a majority rule and national exclusivity of ethnic Albanians. Instead of self-managing integration and the merging of particular, mutual, and general interests, an overall policy was pursued of insularity, isolation, and disintegration. Instead of a joint life and the free movement of people, ideas, culture, science etc. within Kosovo, Serbia, Yugoslavia, and beyond, processes for the homogenization of the Albanian nationality and the creation of ethnically pure territories on which it should live were initiated and implemented by all possible means.

Considering the functions and duties that he performed and the great social and political power and influence he yielded, acting from such positions objectively classifies Fadilj Hodza as one of the most important implementers of a policy that obviously contradicts the original and basic precepts of the LCY.

2. On the basis of such an ideological-political and practical attitude by Fadilj Hodza and leading cadres in Kosovo toward the affirmation and position of the Albanian nationality, unacceptable viewpoints and policy logically appeared, manifested themselves, and were created on the development and realization of the status of the provinces in general, and of the SAP of Kosovo in particular, within our federal system and the entire concept of intranational relations. Moreover, despite the clear ideopolitical and constitutional provisions and norms concerning the character and status of the Province as a self-managing and sociopolitical community within the SR of Serbia, some of the most responsible cadres from Kosovo launched and implemented alien and unacceptable views on the policy and relations in this field. The overall social relations in the province were continuously directed and implemented toward statization, and in this context toward understanding the province as a statist-bureaucratic creation. The dominant precepts and practice of these forces were distinctly directed toward acquiring for the province all the attributes of state, or rather to obtain the status of statehood either under the title of a republic or under so-called full autonomy, which was directly or indirectly implemented in real relations contrary to our constitutional provisions.

The LCY precepts on the question of statehood for nationalities have always been quite clear and precise, in the sense that there are no ideopolitical, constitutional, and concrete historical foundations for forming their separate states, but that they have their state together with the peoples and nationalities with whom they live. Demands for setting up separate states for nationalities are pronouncedly reactionary, for they express the view of national separation and isolationism in areas of "mixed" national composition and under the conditions

of an increased objective interdependence of nations and countries, under the conditions of the legitimate enhancement and development of overall integration processes.

In contrast to this, a part of the Kosovo leadership and Fadilj Hodza were active factors in the creation of such beliefs, atmosphere, and relations in which it was normal for the slogan "Kosovo republic" to appear in the 1968 demonstrations and earlier, as a synthetic expression of the basic aims of Albanian nationalism and separatism. Because of such a global ideopolitical orientation of these people on this question, no proper political significance was attached to the 1968 nationalist demonstrations and the slogans "Kosovo republic" and "Unification with the People's Socialist Republic of Albania" and these nationalist actions and slogans were not given the assessment they deserved, because of which many people and communists were deluded by them. This attitude was essentially continued and expressed until the 1981 counter-revolutionary events, because of which the said slogan was objectively manifested even more widely and strongly.

Organizer and Creator of the Bujan Conference [subhead]

3. Fadilj Hodza's extremely unacceptable ideopolitical attitude on the question of the position of the Albanian nationality in Kosovo and its life together with other peoples and nationalities in Yugoslavia was manifested even during the National Liberation War and socialist revolution, when he appeared as one of the organizers and creators of the Bujan conference and its decisions. Despite the very clear, decisive, and generally known positions by the Communist Party of Yugoslavia [CPY] on solving the national question even before the war, which represented the most progressive and realistic political platform for solving the national problem of the Albanian nationality in Yugoslavia, too, as well as the CPY's clear and resolute decision at the very beginning of the war in 1941 to recognize neither the defeat nor the breaking-up of Yugoslavia, the Bujan Conference and its decision to join Kosovo and Metohija to Albania represented a direct negation of these positions. Likewise, this decision for separating Kosovo and Metohija from Yugoslavia was in opposition to the interests and views of the Albanian nationality, of the Serbian and Montenegrin peoples, and of the members of other peoples and nationalities in Kosovo, who had lived together on that soil. As a logical consequence, the CPY Central Committee proclaimed this decision null and void in 1944, and as did the National Liberation Committee of Kosovo and Metohija. Therefore it is obvious that by their decision to join Kosovo and Metohija to Albania, the organizers of the Bujan conference and Fadilj Hodza himself essentially deviated from the generally known and essential CPY position on these questions.

As an expression of an opportunistic or conscious ideological attitude toward the said decision by the Bujan conference by Fadilj Hodza and some other leaders of Kosovo in the period since the war up to the present day, this decision has not been subjected to the appropriate ideopolitical and historical analysis, assessment, and condemnation, which have negatively influenced the conscience of the working people and citizens of the Albanian nationality and the creation and implementation of policy regarding the position of the Albanian nationality in Kosovo. In this context, Fadilj Hodza himself has never clearly and decisively distanced himself from this decision and condemned its essence, but on the contrary, he obviously displayed an opportunistic attitude or even an attitude that directly or indirectly means that he professed and affirmed this decision in various forms and on various opportunities. Because of all this, the said Bujan Conference position has become one of the basic political theses of nationalist and separatist forces and of the contents of the political programs of various nationalist, separatist, and hostile groups. He also expressed such an opportunistic and ideologically neutral attitude toward open occurrences of belittling or negating the need for establishing a military administration in Kosovo in 1945, which followed a widespread Ballist uprising, as well as of minimizing the extent and the dangers of this uprising. Likewise, as a result of such an attitude, it happened that the participants of the Bujan Conference were accorded the status of the bearers of the 1941 Partisan Memorial Medal, and similar negative happenings and tendencies occurred.

Opportunist Attitude Toward the Albanization of Kosovo [subhead]

4. As a result of the fact that his general attitude toward the position of the Albanian nationality and the status of the province differed from the LC policy, for many years Fadilj Hodza had an extremely opportunist and unprincipled attitude toward wide processes of the Albanization of Kosovo in all spheres of social life—usage of language and script, historiography, culture and education, information, international communication, and the like—which has been and remained crudely contrary to historical and real social circumstances, to interests of other peoples and nationalities living in Kosovo, and, on the whole, contrary to our basic ideopolitical and constitutional tenets.

Such attitudes that he and some other Kosovo leaders adopted opened up an extremely negative processes and a situation and relations that meant majority rule for Albanian nationality, crude degradation of principles of equality for other peoples and nationalities living in Kosovo, prevention and nonimplementation of the basic human and national rights of members of other peoples and nationalities, encouragement of a separatist and Greater Albanian ideology, and the like.

5. During a considerable period of time, a part of the Kosovo leadership and Fadilj Hodza manifested a completely open and gross paternalistic attitude toward all the Albanians in Yugoslavia. Such beliefs, practice, and

relations were the result of strivings by leading nationalist and leadership Kosovo cadres for a vertical linking of all the Albanians in Yugoslavia within the context of the "Kosovo Republic" slogan; for presenting Kosovo, Pristina, and this leadership as an ideopolitical and state center of all the Albanians in the country; and for making Fadilj Hodza an undisputable leader of the Albanian nationality or the Republic of Kosovo and beyond. On such a basis, the Kosovo leadership and information media exerted aggressive pressure on the leaderships of other republics where ethnic Albanians live, and they displayed solicitous care for the fate of the Albanian nationality in those republics. Likewise, some Kosovo leaders equated the positions of the Albanian nationality in those republics with the position of the SAP of Kosovo and the Albanian nationality in it; they established direct communications with and direct influence on certain cadres of Albanian nationality in other republics; they established separate contacts and communications, and exerted direct influence on members of the Albanian nationality from all the republics and the SAP of Kosovo temporarily working abroad; they expressed and exerted a protective attitude toward open and branded nationalists and enemies from the ranks of the Albanian nationality in other republics, going as far as receiving them in the SAP of Kosovo, providing apartments and jobs for them, and even appointing them to certain important social offices; they promoted Pristina and Kosovo as the only center that should determine the contents of the education and information systems, and the content of cultural activities for all the Albanians in Yugoslavia, and the like.

Great and Unhindered Personal Power [subhead]

6. The elementary nonimplementation of the principle of constitutionality and of the rule of law in Kosovo through a protracted period has provided and continues to provide very fertile soil for the spread of Albanian nationalism and separatism and for the attainment of their goals. In such a situation of unconstitutionality and lawlessness, the chief targets of attacks were basic human rights and freedoms, social property, self-management and sovereignty, and integrity and independence of our country. Such a situation and relations are basically, among other things, a consequence of the extremely alienated ideopolitical attitude by Fadilj Hodza and some other Kosovo leaders toward the questions of constitutionality and the rule of law. They were the basic and most responsible factors who displayed a highly irresponsible and opportunistic attitude toward such situations and relations.

7. Gross shortcomings, omissions, and alien ideological views in the creation and implementation of the policy in the field of social and socioeconomic development of the province were also evident through a lengthy period of time. They enhanced the socioeconomic and social contradictions of Kosovo and made them more complex, which was very extensively exploited for nationalist indoctrination, and for exerting pressure and constantly extorting ever greater sums from the community at large, so that these problems and the overall insufficient development of Kosovo were taken and treated as the only and basic reason for the occurrence of nationalism, that the great results and the extremely dynamic overall social rise of Kosovo unprecedented in history were crudely negated, and so on. The basic protagonists of such a policy, attitudes, and processes were some cadres in the Kosovo leadership and Fadilj Hodza himself, either with their active position in this field or with gross opportunism and ideological neutralism toward everything that was happening in Kosovo in this field of social relations.

8. The starting positions of the cadre policy conducted by Fadilj Hodza and the most responsible cadres in Kosovo were to ensure great and unhindered personal power and authority on the one hand, and on the other hand the implementation of their bureaucratic-statist and nationalist goals in the overall policy they conducted.

On this basis, workers class criteria in the conduct of cadre policy were pushed aside in an elementary fashion and were not ensured; national criteria in the selection of cadres were overemphasized and made absolute; a narrow cadre basis was perpetuated; cliques, favoritism, and nepotism flourished; opportunists, obedient cadres, and cadres with suspicious moral and ideopolitical qualities were promoted; and open nationalists and people from families of class enemies were promoted to responsible offices. Likewise, there were many cases when the following were roughly pushed aside at any cost: cadres who consistently followed the ideological precepts of the LC, especially on relations among nationalities; people who openly and in a principled way pointed out the distortions and deviations present in all fields of social life, and especially the spread and escalation of Albanian nationalism and separatism; people who were shown to be consistent fighters during the National Liberation War and the socialist revolution through their successful performance of tasks in the struggle against the class enemy, and in this context in the struggle against Albanian nationalists and separatists, and the like.

As a result of all this, there occurred great blocking of and inefficiency in various institutions and machinery of the political system, especially in the struggle against Albanian nationalism and separatism; cases in which even the institutions themselves and certain organs acted directly in the service of nationalist forces and goals; a great alienation of the holders of the most responsible social and political posts from the workers class interests and the widest interests of all the peoples and nationalities in Kosovo and beyond.

Penetration of Nationalist Great Albanian Theses [subhead]

9. Fadilj Hodza and some cadres in the Kosovo leadership directly manifested and realized their unacceptable views in the field of designing and executing the relations between Kosovo and the People's Socialist Republic [PSR] of Albania. Their platform, on the basis of which communications with the PSR of Albania were conducted, was directed at the complete devaluation and degradation of the basic principles of a unified SFRY foreign policy, such as good neighborliness, noninterference in internal affairs, development of comprehensive cooperation in mutual interest, respect for the integrity and sovereignty, the principle of reciprocity in mutual relations, and the like. Likewise, their extremely uncritical attitude was present in accepting the policy of the PSR of Albania toward Yugoslavia, characterized by great Albanian positions and territorial pretensions, and the demolition of the foundations of our self-managing and federal system.

The basic characteristics of such a policy and practice have been manifested through a complete isolation of the Yugoslav organs and organs of the SR of Serbia from the implementation of cooperation with the PSR of Albania and an exclusive fostering of direct communications between the SAP of Kosovo and the PSR of Albania. The chief content of all aspects of communications and cooperation was the advancement of nationalist and great Albanian theses, and the overall communications and cooperation, and their contents, were almost exclusively directed toward Kosovo questions and toward the Albanians in Kosovo and outside Kosovo. Such cooperation made possible a wide and unhindered launching of Great Albanian theses, and on this basis indoctrination of the youth and other strata of working people and citizens in Kosovo and elsewhere in our country. All this also made possible extremely unhindered propaganda and subversive activities of the PSR of Albania in Kosovo and beyond.

10. The gravity, the dimensions, the complexity, and the serious implications that follow from the problem of emigration of Serbs and Montenegrins from Kosovo under pressure are generally known and through their dramatic quality they have grown into one of the gravest Yugoslav problems to date. The responsibility of Fadilj Hodza for such a situation arises from the overall erroneous policy conducted in Kosovo, especially in the field of the majority rule by the Albanian nationality [majorizacija albanske narodnosti], Albanization of Kosovo, poor cadre policy, toleration of unconstitutionality and lawlessness, and in this context of open pressure for emigration. On the other hand, direct responsibility for the process of emigration under duress is expressed through his erroneous and ideopolitically unacceptable attitude; through the suppression of the volume, gravity, and the consequences of this problem; through the conscious or unconscious neglect in openly confronting this problem and through neglecting the essence and the aims of the pressure for emigration; through preventing frank, wide, and principled discussions of these problems; through presenting unacceptable assessments of the causes of emigration under duress, and the like. Likewise, after Fadilj Hodza and other Kosovo leaders perceived and opened the problem of emigration more widely, an extremely defensive and uncritical attitude was present; extremely unacceptable interpretations regarding its nature, dimensions, and causes were offered; and for a long time this caused perplexity, confusion, and erroneous ideopolitical interpretations of this problem in the Yugoslav public. Such an overall attitude of these people toward the problem of emigration indicates not only their ideopolitical alienation from the ideology and policy of the LC and our society, but also their moral and human degradation regarding the elementary problems of human existence and civilization.

11. The principles of criticism, self-criticism, and responsibility, and on this basis of the ideopolitical differentiation, as an integral and inseparable element of the revolutionary and democratic essence of the LC and our society, almost completely lost their value in Kosovo in the past period, facing the obvious and extremely unfavorable situation, relations, and processes in all spheres of life. Such an ideopolitical attitude toward these essential principles of our political movement and system was hatched and implemented by the most responsible Kosovo cadres who for a long number of years held the leading positions, including Fadilj Hodza.

The consequence of the nonimplementation of the said principles was logical under such conditions, although these same principles were often used for strengthening the position and power of these people through calling to account some individuals who had the boldness to criticize them or not to agree with them, or who opposed the obvious escalation of Albanian nationalism and separatism.

As a result of the overall unfavorable relations in Kosovo, especially in the sphere of democratic relations, cadre policy, and so forth, the question of responsibility of the Kosovo leading cadres was not mooted despite the counterrevolutionary events in 1968 and the consequent further escalation of Albanian nationalism and separatism, and any broaching of this question was most aggressively prevented until 1981, which demonstrated the extremely great alienated power of these people. After the counterrevolution in 1981, the question of grave and decisive responsibility of Fadilj Hodza and other top leaders in Kosovo could no longer be avoided, and the political platform for Kosovo established the clear and precise stand that these cadres bear the most responsibility for the situation created; the new Kosovo Provincial Committee was taking certain measures on ideopolitical differentiation and responsibility after 1982. However, the most responsible people nevertheless did not display an elementary readiness for a self-critical reexamination of their own role on the spread and escalation of Albanian nationalism and separatism and the appearance of the counterrevolution. On the contrary, with all possible manipulations, pressure, defensive attitude, and the like, they directly prevented the

principled and specific broaching of the question of their responsibility, and in this context they also appeared as active factors in preventing wider processes of differentiation, responsibility, and of disqualification of a policy and practice that they created and implemented.

12. Fadilj Hodza's overall ideopolitical attitude toward the basic values and achievements of our society was expressed not only through creating and implementing policy, but also through many specific acts, conduct, manifestations, statements, and the like, that characterize his person as a man, communist, and responsible official. The composite expression of his personal attitude is basically characterized by an alienation from the grass roots and their essential interests; bureaucracy and leaderism; willfulness and usurpations in realizing his personal and group interests; manipulations of people, organs, information, and leaderships from Kosovo up to the federation.

All this meant a basic departure from the LC precepts about the moral image of a communist and responsible official; from the position that communists act and lead LC actions in all respects with their own personal example; from the tenet that the true attitude toward the LC policy, its unity, and society's basic values is expressed through one's personal and specific attitude toward them.

[The following passage appears in a box at the center of the page carrying Pancevski's speech]

**Defensive Attitude and Insinuations [subhead]**

Referring to the content of the letter that Fadilj Hodza sent to the Central Committee members, Pancevski said among other things:

It is quite obvious from the overall content of his letter that in the course of his previous work, in interviews with the Working Group, and by writing this very letter, he is not displaying any basic readiness or effort to essentially perceive the essential causes of the spread and escalation of Albanian nationalism and separatism, or rather to perceive that the basic cause of such an extremely unfavorable situation in Kosovo has been, for protracted period, a policy conducted by a part of the Kosovo leadership, including the Kosovo cadres in the SR of Serbia and in the federation. Proceeding from this premise, it is an undisputable fact that Fadilj Hodza has always been one of the most influential people in the Kosovo leadership, regardless of whether he was in Kosovo or in the federation, and therefore it is obvious that an elementary critical and self-critical attitude toward these essential questions is lacking.

Adhering to the positions that signify a conscious flight from the essence of the Kosovo problem and its causes, as well as an extremely uncritical and unself-critical attitude toward these problems, Fadilj Hodza in his letter attempts to reject in general his links with, and his responsibility for, the escalation of Albanian nationalism and separatism. What is obvious is a defensive attitude, a relativization of the problem, insinuations, and manipulations of certain questions. This is particularly expressed through his premise that he had no influence or no essential influence on the Kosovo leadership; through his hiding behind the highest political and state organs of our country; through his hiding behind the collective responsibility of these organs; and through his invoking our highest revolutionary and political authorities, and the past and present highest political officials in Kosovo and in the federation. Likewise he sees the motives and causes for the LCY Central Committee Presidium's assessment of his responsibility exclusively in a so-called campaign, pressure, preconceptions, daily political needs, and the like, as well as in the inadequate work method of the working group of the LCY Central Committee Presidium.

**Comparison of Mirkovic Interview**

Belgrade NARODNA ARMIJA in Serbo-Croatian No. 2527 on 17 December on pages 1, 3, 5 carries an interview with Lieutenant General Stevan Mirkovic, chief of general staff of the Yugoslav Armed Forces, by Ljubisa Djuric, responsible editor of the TANJUG federal editorial office; Colonel Dusan Pejanovic, assistant head of the military publishing and newspaper center; Lieutenant Colonel Stipan Sikavica, chief editor of NARODNA ARMIJA; Lieutenant Colonel Branislav Miletic, deputy chief editor of NARODNA ARMIJA; and Colonel Predrag Pejcic, chief editor of FRONT, granted "on the occasion of Yugoslav People's Army Day, 22 December."

The NARODNA ARMIJA report has been compared with the TANJUG report, entitled "Mirkovic Interviewed on Army Modernization," published in the 21 December 1987 East Europe DAILY REPORT, page 69-71, revealing the following variations:

Paragraph one, sentence one reads in NARODNA ARMIJA: [Text] [question] The military-political situation...(deleting two introductory paragraphs per NARODNA ARMIJA version)

Column two, paragraph four, sentence three through sentence four reads in NARODNA ARMIJA:...the SFRY armed forces. [new paragraph]

The motivation of the working people and citizens in implementing their rights and carrying out their duties in the sphere of national defense is still high, which is shown by the data on performing military obligation, training for all-people's defense, etc. This applies to the youth too. Thereby, the Yugoslav People's Army [YPA] has preserved its internal moral-political unity and combat readiness despite all difficulties its members and the society in general are confronted with. That is also a

result of extraordinary efforts exerted by the LCY organization in the YPA and by the entire personnel, particularly officers. [new paragraph]

However, the crisis certainly has a negative effect on the development of the situation in the YPA. Economic difficulties present problems in supplying the YPA with necessary material and financial resources, so we have to slow down some of the programs of its modernization. Regardless of that, we still manage not to have to forgo the most important programs of equipment with armament and military equipment and also manage to keep the standard of living of military personnel at the present level. What we consider to be the most negative impact that the crisis makes on the situation in the YPA is the fact that the number of soldiers who were under the influence of nationalism, separatism, as well as some antisocial groups before they came to the army is on the increase. This is known by the public, and I would not speak in detail about it. We are taking all necessary measures in the army with a view to having this relatively small, albeit increasing, number of recruits reeducated and join the combat development of the army just as the vast majority of young people do and preventing possible hostile and destructive activity of individuals. [new paragraph]

I would take...(supplying missing TANJUG passage, deleting editorial note)

Page 70, column one, paragraph three, last sentence reads in NARODNA ARMIJA...resolution for 1988. [new paragraph]

Special problems arise because of irregular influx of resources allocated by the budget that causes a constant liquidity shortage, as well as a reduction of the real value of resources earmarked for financing the YPA. In order to alleviate these problems, changes in certain provisions of the SFRY Constitution have been proposed. Their essence lies in introducing reliable sources of funds and simplifying the procedure in determining the volume of funds for financing the YPA. [new paragraph]

One should mention that rigorous economy measures have been applied in the YPA in all its spheres of spending for several years now, that measures for rational and economical work have been introduced, and that the implementation of these measures and the results have been monitored. Therefore it will be impossible to make good the 5-percent reduction through our internal reserves, savings, and economic operations, and the reduction will be reflected in the YPA modernization programs. We try to adapt all the measures taken in this sphere as much as possible to the requirements of the Anti-Inflation Program implementation. [new paragraph]

[Question] The next question is a complement to the preceding one, in a certain sense. New technological achievements find an increasing application in the armed forces of some countries, and they directly affect their strategy in conducting war. To what extent does this influence, or may it influence, our strategy of conducting an armed struggle, and with what new weapons will the YPA enter the 21st century? [new paragraph]

[Answer] The arms race embraces all kinds of conventional weapons (increasing their range, precision, destructive power, and so forth), and it is also a matter of new kinds of weapons (laser, meteorological, geophysical weapons, weapons based on charged electron and ion beams). The combat possibilities of modern conventional weapons have increased so much that, theoretically speaking, the effect of some weapons virtually equals low power nuclear weapons. This fact has caused a number of changes in the sphere of strategy. Foreign military journals and other publications publicly write about and discuss a number of offensive doctrines on the basis of modern conventional weapons application. Technical possibilities of covering with fire the entire territory of small and medium-sized countries, and carrying out attacks against them from a great distance, as well as the existence of various means and modalities for involvement in so-called low-intensity conflicts, demand that we make appropriate changes in our own doctrine. The space and purpose of this interview do not allow me to explain more extensively what we do in our search for the answers to the changes in the doctrines of potential aggressors. To put it briefly, we are adjusting our doctrine of conducting an armed struggle to the changed conditions. [new paragraph]

In this connection, we endeavor to keep pace in the development of appropriate systems of arms and equipment, above all for the requirements of mass wartime armed forces. We also do not refrain from buying the most modern complex weapon systems and equipment, which at present we cannot manufacture or will not be able to manufacture in the near future. In conformity with our armed struggle strategy, the concept of the armed forces development, and the material possibilities of society, we have set our plans for the technical modernization of the YPA until the end of this century. Our armed forces will enter the 21st century with a significant number of new weapons and fieldpieces. [new paragraph]

The development of automation and robotics will increase the efficiency of complex combat systems, as well as of leading and commanding systems. An important technological breakthrough will occur in optical electronics, especially in the field of infrared vision [termovizija] and lasers. We invest considerably in the development and manufacture of electronic components and microelectronics, which should enable us to enter the 21st century with new digital equipment in telecommunications and data processing. The development of new materials technology (plastics, and composite materials with carbon and glass fibres) will enable us to

introduce new generations of guided missiles, aircraft, vessels, and other combat systems of lesser size and increased durability. [new paragraph]

[Question] You are advertising for admissions of youths to military schools and academies. It is known, however, that response from some communities has not been sufficient for years. What are the reasons? [new paragraph]

[Answer] The response of civilian candidates to military schools recruitment is not in accordance with our needs and wishes. Despite the reduced response of candidates, we have until now succeeded in filling most of the military schools, both in numbers and quality. The numbers of cadets from Slovenia, Croatia, and Kosovo are insufficient. Because of the nature and the role of the YPA, the question of admission to military schools is of extraordinary general Yugoslav significance. [new paragraph]

A research for the reasons that young people's interest in military schools has been decreasing has shown that they lie primarily in the specific nature of the military profession that involves great psychic and physical efforts, moving from place to place, difficulties in employing family members, problems children's schooling (small garrisons, languages, and the like). Although we do not stress the material and social values of the military profession as the most important, one should say that the LCY Presidium and the SFRY Presidency have assessed that the complex and specific nature of the military profession is inadequately evaluated and rewarded. I think that the situation in the country, our present crisis, processes of disintegration and encapsulation into smaller sociopolitical communities, the creation of an anti-Yugoslav mood among a portion of young people, as well as attempts at diminishing the YPA's role in the defense of the country represent an anti-propaganda for the military profession and dissuade young people from going to military schools. [new paragraph]

We have analyzed...(supplying missing TANJUG passage and deleting editorial note)

Page 71, column one, paragraph one, last sentence reads in NARODNA ARMIJA...to do so. [new paragraph]

[Question] The General Staff of the YPA has been renamed into the General Staff of the SFRY Armed Forces. We assume that the renaming is of an essential and not a formal nature, so please tell us what the significance of this is. [new paragraph]

[Answer] The SFRY armed forces are a united armed force of all working people and citizens, as well as a special element of all-people's defense and social self-protection. They consist of the YPA, which is completely within the competence of the federation, and the Territorial Defense, whose organization and preparation are the responsibility of republics, provinces, and other sociopolitical communities. [new paragraph]

According to the SFRY Constitution and the Law on All-People's Defense, the SFRY Presidency is the highest organ leading and commanding the armed forces of the SFRY in peace and war, and that role authorizes and obliges it to ensure the unity of the armed forces and the armed struggle which is carried out by these armed forces. [new paragraph]

The 1982 Law on All-People's Defense authorizes the SFRY Presidency to be able to transfer certain tasks of leading and commanding armed forces to the federal secretary for national defense, which the Presidency has done. By the same law, the Federal Secretariat for National Defense is authorized and obliged to perform certain administrative and professional duties on the armed forces in general. These duties relate to the implementation of the leadership and commanding system in the armed forces, the training of armed forces' personnel and units, the preparation and drafting of the foundations for the armed forces development plans, and so forth. Within the powers of the Federal Secretariat for National Defense so defined, regarding the armed forces in general, the general staff, as the staff and professional organ of the Federal Secretariat for National Defense, has planned, united, linked, and harmonized all the necessary activities in preparing the armed forces for the defense of the country, for the sake of implementing unified leadership and command of the SFRY armed forces. The General Staff successfully performed this role in accordance with the Constitution and the law as the YPA General Staff for a number of years. The change of the name to the general staff of the SFRY armed forces practically sanctions the practice in the work of the general staff regarding the YPA and the territorial defense, i.e. the name has been brought into accord with the duties and powers that it has under the Constitution and the law. [new paragraph]

In fact, this is a building of the system of leading and commanding, and it lies within the powers of the SFRY Presidency. It does not in any way restrict the rights and duties of the republics, the provinces, and other sociopolitical communities relating to the organization and preparation of territorial defense. Therefore there has been no need to change any legal or constitutional provisions. [new paragraph]

[Question] In your capacity as president of the LCY Central Committee Commission for All-People's Defense and Social Self-Protection, you chaired on several occasions discussions on the implementation of the 13th LCY Congress decisions on defense preparations. Can you tell us whether the congress positions in this field have been consistently implemented, or one deviates from what has been written down in the resolutions? [new paragraph]

[Answer] At its fifth session the LCY Central Committee assessed the activities in implementing the decisions and positions of the 13th LCY Congress, and within this framework, the decisions of the congress in the field of all-people's defense and social self-protection. The assessments and positions of the LCY Central Committee are known to our public. The chief conclusion is that the resolutions of the congress are not being consistently implemented, and that there is vacillation and resistance, which in some spheres of social and economic life are greater than before the congress. All this has to a certain extent been reflected in the achievements in the field of all-people's defense and social self-protection. However, one can definitely assert that the society's attitude toward the tasks of defense and protection is better than it is in many other spheres of life, as I said at the beginning of this interview. [new paragraph]

The LCY Central Committee Commission for All-People's Defense and Social Self-Protection constantly examines and follows the results and problems in implementing the LCY policy in the sphere of all-people's defense and social self-protection. Issues that under these unfavorable socioeconomic conditions significantly affect the strengthening of political, material, and moral basis of the country's defense and security have prevailed in our debates. A number of specific measures for solving political, social, and other problems that make an unfavorable impact on the political-security situation and on our defense capability was initiated. However, the overall situation in society, and some most recent negative phenomena in particular, shows that some important orientations of the 13th congress are still not being implemented. In that respect, the LCY Central Committee Commission for All-People's Defense and Social Self-Protection assessed that decisions of the 13th Congress are not being implemented with the expected speed in this sphere either, which is quite understandable, although there are a considerable number of places where this has been done with success. [new paragraph]

However, when what is involved are the specialized forces of the all-people's defense and social self-protection, such as the YPA, territorial defense, security organs and services, civilian defense, as well as many other parts of the very ramified system of defense and self-protection, I can say that the continuity of defense preparations and activities, as well as the further consolidation of all-people's defense and social self-protection are ensured even under difficult and complex conditions. Special breakthroughs have been made in the sphere of the concept of all-people's defense and social self-protection. Therefore, for instance, the strategy of all-people's defense has been drafted and adopted as a doctrinal document and distributed to all organs and institutions of the system of defense and self-protection to use. Considerable efforts have been made and successes achieved in training cadres and population to carry out defense, in carrying out preparations for mobilization, and in other activities. It is clear, however, that even in this narrow area of defense organization and training the stands of the 13th Congress are being implemented with increasingly greater difficulties and exceptional efforts of subjective forces. [new paragraph]

[Question] Comrade General, do you think that the media have been sufficiently informing our public on the preparations for a possible defense war? [new paragraph]

[Answer] In order to be able to realize their self-managing rights in all-people's defense, working people and citizens have the right to be regularly informed about the situation in this sphere. Working people and citizens do not lack necessary information on the life and work of members of armed forces, on the development of the system of defense and self-protection, and on the overall preparations of the society for a possible war. Such information is publicized almost every day in the press, and carried on the radio and on the television. There are few countries in the world in which the problems of defense are being so widely presented to the entire public. That is confirmation of the democratic character of the defense system and its complete integration in the political system of socialist self-management. [new paragraph]

I think that we cannot be entirely satisfied with the quality of the information. There is some stereotyped and routine writing, sometimes there is an attitude that is too affirmative, or insufficient constructive criticism. You have also witnessed a recent increase in the number of unprincipled articles and commentaries on the army and defense. Some media present various kinds of unacceptable theses and ideas, even some ordinary lies and speculations. There is no doubt that one should observe this phenomenon in the context of intensified attacks of antisocialist forces against the entire basic values of our society and revolution. What is involved here is less a failure to understand the essence of the concept and system of our defense, although there is something of that too. We are convinced that it is of general social interest that information about all-people's defense and social self-protection be even more objective and stimulating. [new paragraph]

It is my special pleasure to emphasize the very successful cooperation the armed forces and their organs have with the TANJUG News Agency. We highly estimate TANJUG's contribution in informing domestic and world public about all important questions of our country's defense and security and about its armed forces. There exist all necessary prerequisites for the further fruitful work together, in which I bear on mind that the process of the socialization of tasks of all-people's defense and social self-protection implies a constant increase in the volume and quality of information presented to working people and citizens about questions in this sphere, something which is primarily an obligation of administrative organs, self-managing organizations and communities, and other authorized organs, including the general staff of the SFRY armed forces. [new paragraph]

I take this opportunity to congratulate all present and hitherto members of TANJUG collective on the well-deserved Anti-Fascist Council of National Liberation of Yugoslavia prize and to wish them happiness and work successes in the coming 1988 year. (supplying missing TANJUG passage and deleting editorial note.)

## Mikulic Visits Niksic Steelworks in Montenegro

*AU021657 Belgrade BORBA in Serbo-Croatian 18 Dec 87 p 5*

[Ljubomir Mudresa report: "Branko Mikulic, FEC president, Visiting Montenegro: Only Way for a Breather"]

[Text] Niksic, 17 Dec—Branko Mikulic, FEC president, began a working visit to Montenegro yesterday. In Titograd last night, he had talks with Radivoj Brajevic, president of the Presidency of the SR of Montenegro; Dr Miljan Radovic, president of the Central Committee of the LC of this republic; Velisav Vuksanovic, president of the Assembly of the SR of Montenegro; Vuk Vukadinovic, president of the Republican Executive Council; and other representatives of sociopolitical life of Titograd and Montenegro.

Vuko Vukadinovic, president of the Republican Executive Council, spoke about socioeconomic relations in the republic. He said Montenegro now faces major problems in business operations that fall in the gap between the physical and financial results of business operations. After a growth of production through several years, a decline was marked this year; it was particularly influenced by a shortage of raw materials and the ineffective realization of intervention measures at the federal level to give financial support to the economies of Macedonia, Kosovo, and Montenegro.

In the talks, special attention was paid to the taking of measures and to activities for implementing the program of combating inflation and stabilizing the economy. The need to take measures to revive production and overall economic activities as quickly as possible was emphasized. It was therefore stressed that great mobilization is needed in adopting and implementing stabilization measures of a more durable nature.

Branko Mikulic, FEC president, with aides and representatives of the highest sociopolitical life of Montenegro visited the Boris Kidric Steelworks in Niksic today. Branislav Bulajic, president of the Steel Works Managing Board, spoke about the economic and social difficulties of the largest Montenegrin collective. Stressing that steel production has fallen in Yugoslavia and in the world, in the past few years, Bulajic said:

The steelworks will produce about 295,000 tons of crude steel this year, or 11 percent more than last year, but it lost almost 9 billion dinars in 9 months.

Pointing out that more iron and steel price disparities were expected, Bulajic stressed some of the specific problems facing the steelworks. He believes that because of the increase of prices of industrial products amounting to 204 percent, while the price of steel increased 164 percent, accumulative and reproductive capacity of the iron and steel industry is being lost. On the other hand, bearing in mind the large supply of steel in world markets, Bulajic believes that one should give more serious thought to the problem of steel exports from Yugoslavia. In addition, considerable reserves lie in a redistribution of work and specialization of production among Yugoslav steel producers.

Branko Mikulic, FEC president, among other things pointed out that a greater scope for iron and steel lies in the possibility to use the production capacities more fully; 63 percent are used at present.

It is not easy to achieve high rates of production growth at this level of capacity use, Mikulic said and pointed out the great reserves that lie in technology use.

He also referred to spending:

We must make matters clear about spending in Yugoslavia. We have agreed in principle that we should spend in real terms as much as we earn. However, when we plan this spending, we are in a quandary, and we always require more funds than we have planned. Therefore we have the case, for instance, that you are left with only 43 percent of your income for distribution.

Speaking about the difficulties in the renumeration of educational and health workers, he pointed out that they have been known to the FEC for a long time:

We believe that it is necessary to revise some investments in Yugoslavia. At present, some 43,000 employed work in self-managing interest communities, and there are some self-managing interest communities that are unnecessary and whose work is duplicated. We must save, from the top down to basic organizations of associated labor. Here we have great reserves. If we continue to spend as we have, it means that we will have to borrow again. Let us make this clear. I am not against borrowing, but of the kind that would increase production and exports. There is no economic policy without rational spending and a change in our own behavior.

We certainly must work more, Mikulic stressed, indicating that with the amendments to the Associated Labor Law, the question of whether job security can be guaranteed even in case of idleness, should be tackled.

I think that nobody can be guaranteed a job when he who has a job does not work and lacks discipline.

The FEC president added:

We are in favor of a real economy, or rather of a market economy, but ideological and political differences exist in interpreting these phenomena. Some people understand by this the restoration of an old society, to introduction of elements of capitalist production, while we understand an affirmation of commodity production under the conditions of socialism, or rather social ownership of the means of production. We have nothing against developing private work with means of production owned by citizens, and we are not disturbed by it, but we must not allow these social groups, when they go bankrupt, to present a bill to society and create great social consequences. Social property must be revalued, it must be renovated....

Speaking about intervention measures, Branko Mikulic reminded his listeners that some collectives find them more difficult to implement than others, but he believed that they were the only way out of the crisis and of getting a breather. All this is of course connected with the rescheduling of the foreign debt, Mikulic said, and respective organs are at work on that.

The technological development of the country is an essential question of our entering the 21st century, he said.

If we do not speed up this question, we sentence ourselves to a flow of income to the countries whose technology is more modern and rich.

Central Committee, Place for Confrontation [subhead]

The federal premier answered numerous questions from steel works workers.

Milivoje Radunovic: How do you explain that there were strikes after the adoption the intervention measures, and where does the money come from to pay personal incomes that are chiefly higher than before strikes?

"There were more strikes before the adoption of intervention measures. They occur where collectives work on the margin of profitability or make losses. In addition, strikes occur where self-managing relations have not come to life. We have not frozen personal incomes in the economy. Where there is revenue, collectives may increase personal incomes. However, nobody has the right to consume social funds. Nobody has the right to consume the foundations of his house. It seems that some collectives have adopted such decisions. However, if they have no funds to cover this pay, they will inevitably go bankrupt," Mikulic said.

Worker Radenko Prelevic: Why have prices increased even after the adoption of the decision on price freeze?

"Inspectors are not controlling how the freeze decisions are being respected, and the FEC will discuss the results of this control at some of its coming sessions."

Vojislava Djuranovic: Disunity among the most responsible people was displayed at the latest session of the LCY Central Committee.

"The LCY Central Committee is the place for confrontations and expressions of opinion by all the members, including the most responsible officials. Where else if not there? Everybody presents his opinion. In my opinion this is the way to unity. Let differences appear, for the LCY Central Committee is the place where speech is free. I think it is good that matters are clarified there and that the conclusions are binding on every one of us."

## Slovene Council Considers Nuclear Safety

*LD242222 Belgrade TANJUG Domestic Service in Serbo-Croatian 1608 GMT 24 Dec 87*

[Text] Ljujljana, 24 Dec (TANJUG)—The Krsko nuclear power plant, reactor center of the Jozef Stefan Institute in Podgorica and the Zirovski Vrh uranium mine, which is not a nuclear installation, in their work so far have respected the regulations on the protection from ionized radioactivity and on the security of nuclear installations. Since a republican department for nuclear safety has been founded in Slovenia, it will fully take over the tasks and obligations in the area of ensuring the safety of nuclear installations. This was said today at a session of the Executive Council of the Assembly of the SR of Slovenia in a report by the republican department for nuclear safety on the use of nuclear energy in Slovenia.

A law on the moratorium on the construction of nuclear power plants by the year 2000 has been adopted in Slovenia and an analysis of the possibilities of developing energy, which is already taking into account the moratorium is, being prepared.

Under the influence of Chernobyl, Yugoslav and foreign ecology movements, the public attitude toward the use of nuclear energy has changed and nowadays in Slovenia the widely prevailing view is to oppose its use. It is certain that this opposition results in doubts about safe work of nuclear installations, to the same measure in the conviction about the danger from radiation.

In the report it is said that the exposure of workers employed in the nuclear power plant is very low and does not go over one tenth of the allowed limit. The limit for discharging radioactive substances into the environment was set with the agreement of the republican inspectorate when Krsko nuclear power plant was put into operation. Liquid radioactive substances from this nuclear power plant are discharged into the Sava River in accordance with this document.

Since no lasting solution has as yet been found for depositing low radioactive waste from the Krsko nuclear power plant, the nuclear power plant must ensure all preparation work for safe depositing of this waste at an appropriate location. As said, a group of the Jozef Stefan

Institute should prepare the criteria necessary for the preparation of planned procedures when choosing a location for a nuclear waste deposit. At the same time the Slovene Executive Council proposes to the Executive Council of the Assembly of the SR of Croatia to cooperate in these procedures or choosing a location for a deposit of low and medium radioactive waste.

### Slovene SAWP Conference Elects Officers

*LD222255 Belgrade TANJUG Domestic Service in Serbo-Croatian 1659 GMT 22 Dec 87*

[excerpt] Ljubljana 22 Dec TANJUG—Interrupting a discussion on the current socioeconomic problems in the country, delegates today elected the Slovene Socialist Alliance's new leadership. Joze Smole was reelected president of the Slovene SAWP Republican Conference. Viktor Zakelj was elected vice president of the organization in charge of socioeconomic relations and economic policy. Geza Bacic was elected vice president in charge of social activities and the political system and Ciril Zlobec was elected to take charge of culture and science. Dusan Semolic was elected secretary of the Slovene SAWP Republican Conference.

Eighty percent of the elected members of the Presidium are new names, among them around 16 percent come from material production positions and almost one in three of the members of the Slovene SAWP Republican Conference is a professional sociopolitical worker.

### Orlandic Speaks on Foreign Policy, Crisis

*AU021614 Belgrade BORBA in Serbo-Croatian 16 Dec 87 p 7*

[Marko Orlandic article: "Trends in International Relations and the Position of Yugoslavia: Defense of the Only Model"—"arrangement of the article done by editors"—BORBA note; passages in boldface as published]

[Text] With its well-known principled and consistent struggle for new democratic and equal international relations, Yugoslavia has been, for a great number of years, a very influential factor in international relations, a valued and respected factor of peace and cooperation among peoples and states, standing against bloc policy, hegemony, use of force, various kinds of pressure, and foreign intervention. Josip Broz Tito's exceptional activities and his undogmatic Marxist thought gave a strong imprint to these qualities and to Yugoslavia's contribution to international community, and in this way Tito gained great worldwide prestige.

Thanks to this policy, Yugoslavia has been an active participant in searching for the solutions to many major problems that have burdened and still burden the international community. With its independent, nonbloc, and nonaligned position, and its principled and consistent activities in the international field, Yugoslavia has been a significant influence in overcoming bloc confrontations and divisions, and as such a participant in the gradual building of new relations in Europe and in the whole world. It has contributed considerably to the processes of decolonization, and the struggle of peoples to attain, to preserve, and to enhance their national independence, territorial integrity, and sovereignty. In good time, it realized the necessity of an alternative to bloc divisions, confrontation, accords, and spheres of interest, whose victims were newly liberated and nonbloc countries.

Despite the fact that it has been increasingly preoccupied with its own internal problems, its contribution is reflected in the activities of the Nonaligned Movement in general, in the group of nonaligned and neutral states within the CSCE, and in the activities and the successful outcome of the ministerial conference of the nonaligned countries of the Mediterranean.

We have taken the initiative for a meeting of foreign ministers of all the Balkan countries and have obtained positive replies. Such a meeting could constitute the beginning of continuous dialogue and cooperation among the Balkan countries, regardless of their foreign political alignment and their internal system, provided that all the participants concentrate on the questions that ought to open up prospects for a more favorable atmosphere and wider Balkan cooperation in the fields of economy, science, technology, transportation, tourism, environment protection, and the gradual creation of the climate that could transform the Balkans into a zone of peace, security, and cooperation.

However, it would be wrong and irresponsible to neglect some trends and facts that exert an increasingly unfavorable influence on the international position of our country. The reasons for this are almost exclusively internal in nature. The contributing factors are the economic crisis, which has been going on for a long time and which we do not manage to master, the enormous rate of inflation unprecedented in post-war Europe, increasing unemployment, the check in development, and the falling backward on the European development scale virtually to the positions held at the end of the thirties.

The political situation in the country, polycentric tendencies and the weakening of the functions of the federal state in those matters and in those fields where its powers have been precisely defined by the state, the excessively slow process of decisionmaking, the watering down of responsibility and disunity in essential problems, occurrences of clashes between nationalities, and especially the situation in Kosovo, increasingly lead Yugoslavia into a situation of a weakened position, respect, and influence in the international field.

Rarely have articles been written about Yugoslavia from such increasingly critical attitudes. One gets the impression that many foreign factors have been surprised both

by the depth of our crisis—which undoubtedly is complex and above all political—and our lack of readiness to find solutions to affirm the relations founded by the decisions of the Anti-Fascist Council of National Liberation of Yugoslavia in a democratic atmosphere and relations, along the line of our well-known program tenets, and to overcome the country's grave and increasingly deep crisis more quickly. This spreading and increasingly negative publicity about our country contains not only malicious joy but also open concern on an increasing scale. The impression is more and more abroad that we do not know what relations and what Yugoslavia we want. We must admit—and this is stressed in foreign propaganda—that the LC as it now, is losing more and more the strength of a cohesive factor that can ensure the unity of the country, class solidarity, and the stability of the SFRY. In contrast, tendencies of political pluralism, independence, and disintegration are strengthening, and their fatal consequences are well known from our not-too-distant past. We need not be concerned about different opinion during the stage when positions are being formed; they are an expression of democratic relations in the decisionmaking process. What does cause concern is the inability of both the state and political structure to see that views are harmonized and decisions adopted more efficiently and especially that the decisions should be more quickly and consistently implemented in practice. Therefore we do give foreign public opinion and political factors an opportunity to speculate about our prospects and to form their concepts about Yugoslavia increasingly on this basis. These are the reasons why we are not free of pressure and circumstances from time to time; this is almost a rule when a country is in a situation like the one we are objectively in now.

Our crisis has several meanings and is complex, which is therefore reflected increasingly unfavorably in the international position of our country. The crisis is economic, it is a crisis of the political system accompanied by hypertrophy of regional interests, and it is a moral crisis. In order to avoid a kind of a constitutional crisis, we must accelerate the amendments to the Constitution and to the law system, laws, or rather, the provisions that have not been vindicated in practice and that further aggravate the crisis, as well as differences that appear must be discussed calmly, constructively, and on the lines of the LCY program strategy.

A crucial stage is appearing in the development of our society. It is clear to all that the situation in the country is much more difficult than the one assessed at the 13th LCY Congress, that it continues to deteriorate, and that there is no more room for pulling away and for lackadaisical behavior. Therefore the urgent operationalization of the inflation combating program, a revival of economic activities, further increase of exports, and the protection of the standard of living of working people and citizens are set as priority tasks.

If we are not able to adopt most urgently such a worked-out, secured, realistic, and reliable program, if we block ourselves with the differences about the nature and depth of the constitutional changes, and do not publicly determine why the situation is worse than during the 13th LCY Congress and why the LC has not succeeded in implementing the set tasks, and if we do not draw clear and communist consequences, we really would not succeed in making the turn that is otherwise necessary, in overcoming the defeatism strongly manifested by the masses and the work disincentives, and in restoring the faith of the working people and citizens in our ability to strengthen internal stability, to ensure the development of the country, and to reaffirm its international position, prestige, and influence.

We will not ensure better prospects through turning back, but through democratizing our overall relations—in which the LCY bears the greatest responsibility above all for its own transformation—through an affirmation of a sound economy, of the market, and of more equal business conditions, through directing the economic flows, and through creating and implementing our other well-known strategic tenets. Any insistence on other models, whether they are unitarian-centralistic, bourgeois-liberal, or nationalist-separatist, will not open up our prospects, but will close them; it will not stop the crisis, but will help toward falling into a state without control or influence; it will not strengthen, but on the contrary it will gravely weaken the international position of Yugoslavia.

[Following passages are printed boxed]

**Getting Out of Step [subhead]**

We must be aware that progressive parties and movements are making more and more use of our omissions and errors as a lesson, particularly because our crisis has been going on too long. In this way our attractiveness, encouragement, and inspiration, which undisputably existed during Tito's time, lose in strength. There are several reasons. Chiefly they arise from our internal reality characterized by a complex crisis. In practice, self-management is decreasing and technobureaucratic collusions and voluntarism increasing. Instead of opening up new visions of democratic and humanistic socialism, we are increasingly getting out of step and are lagging not only as regards the goals set by the program but also as regards processes in some socialist countries, and particularly as regards the scientific and technological development in the world. In this last regard, and in others besides, nothing can be achieved as long as partial and regional interests, which have been ideologized to a great extent, and the concept of self-management as a partial relationship not reaching society in its entirety are glorified and exalted.

Along the Vertical Line [subhead]

The changes that are under way in many socialist countries essentially mean an affirmation and enrichment of the idea of socialist self-management as a basis for an

essential democratization and humanization of social relationships; this demonstrates that this is increasingly becoming a legitimate occurrence in the development of socialism. We see in this our obligation primarily to overcome the checks and the crisis in the development of society and of socialist self-management, to contribute further to the affirmation of its content and values, and to create as soon as possible the conditions for implementing the program vision of socialist self-management and, on this basis, democratization of society and constant strengthening of the position of the working man and citizen in society. This can be achieved only if one strives for socialist self-management to obtain the so-called vertical social dimension—in which respect we are lagging considerably—i.e. to become an integral system from the basic cell of society up to the federation and decisionmaking in the federation.